

**BUDGET & FINANCE COMMITTEE
DELIBERATION AND PRELIMINARY DECISION-MAKING
FISCAL YEAR 2016-2017 ANNUAL BUDGET**

MAY 12, 2016

A Deliberation and Preliminary Decision-Making Meeting on the Fiscal Year 2016-2017 Annual Budget of the County of Kaua'i was called to order by Arryl Kaneshiro, Chair, Budget & Finance Committee, on Thursday, May 12, 2016, at 9:04 a.m. at the Council Chambers, 4396 Rice Street, Room 201 Līhu'e, Kaua'i, Hawai'i and the presence of the following was noted:

Honorable Mason K. Chock
Honorable Gary L. Hooser
Honorable Ross Kagawa
Honorable KipuKai Kuali'i
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Arryl Kaneshiro

The meeting proceeded as follows:

Committee Chair Kaneshiro: Good morning everyone. Today we will be addressing decision-making for Fiscal Year 2016-2017 Operating and Capital Improvement Projects (CIP) Budgets and Real Property Tax Rates for the same fiscal year. We have had nearly three (3) weeks of budget reviews and substantial discussion with the Administration, as well as receiving lengthy responses from the Administration to the numerous follow-up questions that were transmitted. I want to thank the Administration because we had over three hundred (300) questions that we sent over and you folks answered all three hundred (300) questions, so I think that is a success in itself and thank you for the responsiveness. We do not have much time for the budget and I know it was a rush on your part, but I appreciate the effort. I will not be requesting that the Administration come up today to respond to questions from Councilmembers on proposals, as all of our preparation and clarification on proposals should have been done in advance. Of course, we also have supplemental items that came in, so I would really like us to not have to call him up and create a lengthy discussion. We know what we want to do. We have some adds, some cuts, and let us go forward on it. It is now our opportunity to offer proposals to the budget. I would like to remind the Committee that any proposals to reduce or remove an item requires four (4) votes and any adds will require five (5). Once we vote on an item today, we will not revisit that item, unless it is deemed absolutely necessary. Additionally, once a proposal is introduced, I respectfully ask that Members be concise and considerate with their time during the discussion period, as our time will be limited. As it has always been, it is my recommendation as the Budget & Finance Committee Chair to preserve the Unassigned Fund Balance and to contribute any unappropriated funds resulting from the Committee's decisions to the Unassigned Fund Balance. I know we have also heard of putting money into roads, but I just want to put it out there that we have the Unit 14 increases that have not been completed yet, but that is another \$433,000 that would be coming in. Any cuts that we make and allocate, we are going to end up having to pull from the reserve fund if we do not have \$433,000 saved up in it. Just keep that in mind. Any additions that you may be proposing should have a corresponding reduction or identification of funding or revenue source. On the screen above, we will see all of the

proposals in realtime, projected by staff, with a running total of additions and cuts. I am hopeful that we do not have to tap into the Unassigned Fund Balance to balance the budget. As of right now, the budget is balanced where we are not taking money from the Unassigned Fund Balance. We are starting at zero (0). Lastly, I want to remind all of you that if the Committee does not come to an agreement within the allotted time for decision-making, then the Mayor's original budget submitted on March 14th will go into effect. I will be opening today's session as we have done throughout the entire session with public testimony. Following public testimony, I will allow time for the Mayor and his team to briefly address the Committee before we get into our session. Following his presentation, the outlines of some of the changes in supplemental communications, I will immediately go into Council decision-making and we should have had time with Council Services to prepare all of our proposals for adds and cuts, so you should all have it with you. As a side note, I want to respectfully ask Councilmembers to make their final commentary on the budget during second and final reading scheduled for June 1, 2016, if all goes according to plan. We are not going make our final comments today. With that, I would like to suspend the rules. Is there anyone registered to speak?

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Yes we do, Chair. The first registered speaker is Curt Colby.

Committee Chair Kaneshiro: Curt, have a seat. You can speak on any item on the budget. You have a total of six (6) minutes, three (3) minutes at a time. When you have thirty (30) seconds left from your three (3) minutes, it will turn yellow and when your three (3) minutes are up, it will turn red. Then I will need to take public testimony from other people in the audience. If you have another three (3) minutes, then we will take everybody for the first time, and then you can come back for a second time. Just make sure the light is blue and state your name for the record.

There being no objections, the rules were suspended.

CURT COLBY: Curt Colby. *Aloha* County Council and *mahalo* for giving me the chance to address you. I handed out a folder about a piece of equipment, a bulkhead for the YMCA, where Swim Kaua'i Aquatics practices. I am the head coach of Swim Kaua'i Aquatics and I have been involved in swimming as a competitor or coaching for fifty-seven (57) years. The reason I am passionate about this is that swimming afforded me a chance to have a great education, taught me many life lessons about discipline and hard work, and things of that nature and that is why I am in this business of coaching. This is a final piece that we need for the pool to make it competition ready for interisland meets. At this point, we have the best quality pool on the island, and in fact, on some of the other islands as well. We need this one piece of equipment, a bulkhead, which is costly. We are asking for around \$230,000 to complete this. Yes, it is expensive, but what this will enable us to do is to have the State of Hawai'i high school championships here and age-group championships here. What happens with the kids on this island at this point is that they have to pay to go to other islands for all of the championships and we would like to be able to have these championships here. What it will mean to the island financially is that you will have two hundred (200) to three hundred (300) kids and families coming over here to stay here in hotels, buy food, rent cars, and things of that nature. It also will afford us the ability to have top quality competition here, another level of quality competition here. The YMCA is very thankful to the generosity of the County. The County has donated land for the pool to be built on and they have donated money for solar to help reduce our fiscal budget. In return, the YMCA creates a quality program. They do have summer fun

days that are free to the kids that come. We as a team are going to be sponsoring six (6) days of summer that will be free swimming for families, the local people. The YMCA is a private organization and has to fund itself, so we cannot offer everything for free, even though as much as we could, we would like to. Swim Kaua'i Aquatics is a nonprofit organization, so we also have a tight budget and we are not making tons of money. We also offer between five (5) to ten (10) scholarships a year.

Committee Chair Kaneshiro: Curt, I am sorry. That was your three (3) minutes. Anyone else in the audience wishing to testify on our budget today? Seeing none, you may have your other three (3) minutes.

Mr. Colby: Thank you very much. We offer scholarships to kids to swim on the team. They also offer the pool use for the junior lifeguard practices. They also offer the Kaua'i high school championships to be free of charge for the high schools to be here. Another benefit to the island is presently we have five (5) swimmers in college who are swimming. Three (3) of the swimmers last year who graduated and went to college were valedictorians at Kapa'a High School, Waimea High School, and Kaua'i High School. We are encouraging kids to have excellence, discipline, and learn some lessons in life. So we feel this is all very much a benefit to the County of Kaua'i. Let me see if there is anything else. I talked about bringing financial benefit to the island and talked about bringing top-quality competition. It also helps the families who have kids on the team not to have to pay money to go to the other islands. I believe that is it. I thank you so much for the time and we are obviously open to any questions at any point during the process and I thank you for that.

Committee Chair Kaneshiro: Thank you. Anyone else in the audience wishing to speak on the budget. Seeing none, while the rules are still suspended, Mayor Carvalho, you can make your quick presentation.

BERNARD P. CARVALHO, JR., Mayor: *Aloha* Council Chair Rapozo, Vice Chair Kagawa, and Members of the County Council. I am happy to be here again one more time as we continue our budget process, now with the supplemental budget. Today, we present a brief overview of our 2017 Supplemental Budget proposal for the second consecutive year. We have submitted a structurally sound budget. This was achieved without using any General Fund balance and without any additional Transient Accommodations Tax (TAT) revenues from the State Legislature. I believe this is an indication of financial discipline to produce sustainable budgets going forward and I would like to elaborate on the changes that we have made to our March 14th submittal. The result is a slight increase of one-half percent (0.5%) to our proposed Operating Budget. Let me provide you a little more detail. The most significant development since our March submittal is the Council's passage of our Salary Resolution, which provides pay increases for certain officers of our County. The Resolution was submitted by the Salary Commission following extensive research and reflects the Commission's efforts to bring the officers' salaries in line with their counterparts around the State and to help address the issue of salary inversion. As you know, most of these officers have not received pay increases for the past seven and a half (7.5) years.

Another adjustment to our proposal includes funding for turnout gear or personal protective equipment worn by our firefighters when they respond to fires. In the past, this protective equipment was covered by grants, but this funding source is no longer available. We are proposing to spread the cost of the turnout gear over a three (3) year period, rather

than funding it all at one time. Grant funding is also not available for self-contained breathing apparatuses (SCBAs) for our firefighters. We have not included funding in this supplemental budget for the SCBAs. We anticipate submitting a money bill once the analysis and cost estimates are completed.

There are three (3) additional items that we are including in this proposal: a grant-in-aid to the YMCA, an organization that has supporting Kaua'i's *'ohana* for nearly ninety (90) years; an Assistant Fire Chief to support the Kaua'i Fire Department's (KFD) operational needs; and additional funding for a homeless program, due to an unintentional omission in the March 14th submittal. The YMCA is requesting assistance with the purchase of this specialized equipment. Currently, Kaua'i is the only county in Hawai'i that is unable to host such events, due to lack of equipment; we are talking State championships, et cetera. This puts our competitive swimmers at a major disadvantage. In addition, Kaua'i's economy is losing out on thousands of dollars of visitor stays here on our island. This grant-in-aid for the YMCA pool aligns with our 2010 Comprehensive Development Strategy Report as well, encouraging and to bolster our economic growth here on Kaua'i. Kaua'i Fire Department is one of the few fire departments around the country without a manager of operations. Calls for assistance from KFD have been steadily rising for the last fourteen (14) years with no sign of abating. To support the increasing workload, an Assistant Fire Chief will oversee the department's daily operations, directly supervise three (3) Battalion Chiefs, and assist the Fire Chief with implementing the KFD's strategic plan with a capital improvement plan as well. One of the biggest concerns facing governments across the country is homelessness. Here on Kaua'i, the County has formed a partnership with Kaua'i Economic Opportunity (KEO) and the Kaua'i Community Alliance to address this issue. Due to an unintentional omission in our March submittal, our County is providing additional funding for the homeless program.

In our capital budget proposal, we plan to move forward with the third phase of the Coco Palms Odor Control Project, which will focus on addressing odors on Papaloa Road, near its Kūhiō Highway junction. I know we talked about this in the past and we want to move forward on that. Previous phases have focused on addressing odors at Coco Palms sewage pump station only, so this will take it to the next step. We also have included funding to extend the sidewalk along Moi Road in Hanapēpē, approximately seven hundred (700) feet of sidewalk will be installed that connects the existing sidewalk to the larger Complete Streets project. We have identified three (3) park projects in addition to this project. We have identified three (3) park projects that will be funded through the Department of Parks and Recreation's Ho'olokahi grant program. The funding will cover the cost from materials and supplies, while the labor will be provided at no charge by the members of the Kaua'i Senior Softball Association in partnership. At Peter Rayno Park, a permanent homerun fence will be installed. At Puhi Park and Hanapēpē softball field dugout and announcers booth will be built. We are truly thankful for the partnership with the Senior Softball Association that allows us to leverage our limited tax dollars with the talent and heart of volunteers to benefit the entire community.

As for other CIP projects, I am pleased to note that the State Legislature has approved funding for the following projects: Lima Ola, Kaua'i's first largescale green affordable housing community project; our Adolescent Treatment and Healing Center; and our Kaua'i Veterans Cemetery improvements. Let us examine the County's projected tax revenue, which remains unchanged since our March 14th estimate. At Council's recommendation, however, we have included in our supplemental budget additional revenue for underestimated plumbing permit fees, as well as revenue from dog and cat

license fees that are collected by the Kaua'i Humane Society. Aside from revenues, our structurally balanced budget was achieved by reducing the RFP consultant line item and making other operating cuts, as well as utilizing the money that was initially as an increase in the General Fund balance. The state of the County's finances continues to improve with real property taxes projected to grow over fiscal year 2016, along with the Unassigned Fund Balance. Although this represents a significant improvement over the previous fiscal years, keep in mind that this also represents the County's reserve for which a sound policy is being developed, under the guidance of the Government Finance Officers Association (GFOA).

It is disappointing that the State Legislature has once again chosen to cap the Transient Accommodations Tax (TAT) revenue for all the counties this year with the possibility that it could be further reduced next year. The current projected increase in overall TAT revenues for this year is an estimated \$29,000,000 and there is potentially an additional \$15,000,000 in TAT that could come from the recent bed and breakfast (B&B) legislation, should the Governor sign House Bill No. 1850. It seems unfair that the State may get this additional \$44,000,000 from the visitor industry while the revenue to the counties that provide the bulk of the services and resources to the visitors remain flat.

In closing, I would like to express our *aloha* and appreciation for you, to all of you for your open dialogue and the healthy discussions we have had thus far. I would like to commend our fiscal team for the hard work that they have done to really, truly find every single way to address your concerns and your questions and try to come forward with a very updated, very open, reengineered type of thinking budget process. We have been communicating over and over, and over with different entities to assure that we have the resources available the questions that you have had. Your staff members here have done really great work with our staff members, from Jade, Scott, and the rest of you. They worked really hard together in trying to address the issues that are put on this table before us today. I just want to make it clear to you folks that we tried every single way and you may not like some of the answers, but some of the answers...it is what it is. I just wanted to make sure you understand that we are trying our very best and we are moving and reengineering our fiscal operations in so many different ways. I look forward to a continued dialogue and a very healthy outcome for the people that we all serve. Thank you very much. *Mahalo* and *aloha*.

Committee Chair Kaneshiro: Thank you, Mayor. I will now call the meeting back to order so that we can begin our order of business for the day. First, I would like to ask for a motion or agreement from the Committee to accept the supplemental budget communication changes that were submitted on May 6th and to use that supplemental budget as our starting point for the decision-making.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Chock moved to use the May 8, 2016 Supplemental Communication as a starting point, seconded by Councilmember Kualii, and unanimously carried.

Committee Chair Kaneshiro: So we are using the supplemental as our starting point. Next, I would like to entertain any proposed reductions to the Operating Budget, department, or agency and I would like to take reductions in the following order: Operating

Budget by department, CIP Budget by fund, and then proposals affecting numerous or all department or agencies. So we are going to take the individual ones first through the divisions, CIP, and then if there is anything affecting the whole broad spectrum. Councilmember Yukimura, do you have a question?

Councilmember Yukimura: Yes. So for reductions, you want the ones that are only reductions or can they be matched with others?

Committee Chair Kaneshiro: We are going to do all of the reductions first. If you have a reduction and an add, we will do that at the very end of the Operating Budget. If you have a reduction and an add in the same proposal, we are going to take that last in the Operating Budget, and then we will move to CIP.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: With that, Jade will be reading out departments or divisions, so please make a note to me that you have proposals relating to the announced department or division. On each item, we will take a roll call vote. Councilmember Yukimura, do you have a question?

Councilmember Yukimura: No, I would like to make a proposal.

Committee Chair Kaneshiro: We are going to start with the Mayor's Office. We are going to go through all of the departments.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: When we get to the department that you have a proposal for, you can let me know. Jade, are you going to read it off?

Ms. Fountain-Tanigawa: Sure. This will be for the Office of the Mayor, including the Youth Work Program, Americans with Disabilities Act (ADA) Office, and the Office of Boards and Commissions.

Committee Chair Kaneshiro: Are there any proposals for those offices? If not, I actually have one and unfortunately, it is what we just heard about the YMCA's grant-in-aid to remove \$230,000.

Councilmember Kagawa moved to remove the funding for the YMCA under the Office of the Mayor Grant-In-Aid account in the amount of \$230,000, seconded by Councilmember Kualii.

Committee Chair Kaneshiro: Basically, we got this as a last minute request. We had our entire budget meetings and a lot of time to vet all of our concerns with the items that are on the budget, and then we get an add of \$230,000 with less than six (6) days to look at it and see why it is needed. For me, it comes down to "what is a want?" and "what is a need?" Kapaia Swinging Bridge is an amount that is in the budget, but the people have spent eight (8) years working on it with the Administration. For this one, it is just a little premature for us to have to take it right now. That is my reasoning. Council Chair Rapozo.

Council Chair Rapozo: I agree with you. Yesterday I made a passionate discussion about “getting the pool before fixing the roof” and that was before I saw the YMCA request, which is kind of ironic that today I come in and I see the pool equipment request. As much as I appreciate what the YMCA does for the people of Kaua‘i...it goes back to what you just said, Committee Chair, about figuring out if it is a want or a need. This is definitely not a need at this time. As we talked over the last few months about the dire restraints of our financial situation and the Mayor just talked about the TAT and there is a chance that may go down next year. This is not the time for the luxuries. We have to really be strict. I hope we maintain this discipline throughout the budget process, so I will be supporting the removal. Thank you.

Committee Chair Kaneshiro: Any further discussion on it? Councilmember Kuali‘i.

Councilmember Kuali‘i: I would just add that obviously it is a very worthwhile project and I hope that it still happens and that the community will get behind this. I did not see it in the proposal, but I hope that they can piece together different funding sources with all of the stakeholders and all of the users. If the high school’s pool themselves are not equipped to handle things that this pool was good for because it is the largest and best on the island will be doing, then I would rather have seen the County be a small part of the partnership and not fully be the primary investor of this equipment.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Just one more point because Councilmember Kuali‘i brought up an important thing about the high schools. That is the State again. That is another State function. The high school championships, which was one of the larger draws that this would bring; the County did its small part by donating the land, which is actually not a small part. I think the State has to partnership and say, “Hey, you have an extra \$40,000,000 in TAT, so help us out.” That is what I am seeing more and more. The State is pushing away and giving the counties more, expecting our county taxpayers to fund the State projects. That is just another reason. Thank you for bringing it up, Councilmember Hooser.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I will be the dissenting voice on this. I think supporting youth programs should be right there at the top of our list. There is a lot of talk about drug treatment and problems with our youth and I think that this is a relatively small item that can go a real long way and it will pay for itself in the long-term with the increased economic development. It does not seem right that Kaua‘i cannot host the championship swim meets. Our students and our families have to pay money out of their pockets to fly elsewhere, so it is a burden to them, as well as it is a missing out on opportunities for those other schools, clubs, and teams to come here. This is a partnership; this is a central location that serves all schools, not just one. When I served in the State Senate, we provided some funds for this. It is a classic community partnership that is run by a nonprofit and it is supported by all levels of government and by the community, so I will be opposing this cut.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: It is amazing how people can look at issues differently. For me, we have two (2) pools, Waimea pool and Kapa'a pool. Waimea pool is severely old and rundown. It is about, "What is a priority to fix somebody else's pool before we fix our own?" Therefore, I believe that we put off a lot of our own pool maintenance and I do not see this as a failure to support our children that swim here. It is an opportunity to actually bring in other children from other islands here, and while I value having hosting state tournaments, Kaua'i is difficult to attract state tournaments in many sports. You do not see football state tournaments or baseball state tournaments. I think trying to achieve that ability to host state tournaments is great, but I look at that as a "bell and whistle." If you can do it, you do it. If you cannot, it is not a priority. Thank you, Chair.

Committee Chair Kaneshiro: Any further discussion on this before we take the vote? Councilmember Yukimura.

Councilmember Yukimura: I think the YMCA pool really provides a much needed opportunity for our kids and families. I think we should look at this \$230,000, but I would like to look at it in terms giving more access to families to the pool. I know the fees are high for some of them, so I would prefer to have it structured in a way that can allow families to have access. I guess I would prefer to see it in that form of support.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I want to support the YMCA and the pool, but this amount is a little too much for me a couple days into the budget, especially if I do not see any other community partners stepping in. I just have to agree with a lot of the other comments that were made, so I will be supporting the removal of this. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: The last thing I would add is that \$230,000 is not a small amount. I think you will see that today a lot of our cuts or attempted/proposed cuts will be of amounts much less than that. The only other thing I would say is that this does not mean that we do not support youth programs; of course we support youth programs. For me, I would also have liked to have seen a budget that showed all of the partners and stakeholders, even if you showed the whole program, something more than just equipment so that we could see what role we are playing as a county. Also, I would have liked to have seen how we are actually giving back to the average resident or constituent and how the pool might be open to families who otherwise could not afford it, like kids who come from low-income families and not necessarily on the swimming team, but want to use the pool. There may be programs that happen, but it is not in the proposal. Thank you.

Committee Chair Kaneshiro: Again, I just want to follow-up. I do not think anyone here is opposed to the kids, the swim meets, and their programs there, but what it does come down to is "who does the burden rest on?" We have given the land to it and we have given photovoltaic to that area, which hopefully resulted in reduced prices for the kids. With the limited time we have and the limited amount we have, it is very difficult to make a decision on this with six (6) days. I think the ultimate question is "who does the burden rest on?" Does it rest on us? Does it rest on the YMCA? Does it rest on the State to do this type of thing? I think that is what it comes down to. With that, can I get a roll call vote?

The motion to remove the funding for the YMCA under the Office of the Mayor Grant-In-Aid account in the amount of \$230,000 was then put, and carried by the following vote:

FOR MOTION:	Chock, Kagawa, Kualii, Rapozo, Yukimura, Kaneshiro	TOTAL – 6*,
AGAINST MOTION:	Hooser	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

(*Pursuant to Rule No. 5(b) of the Rules of the Council of Council of Kaua'i, Councilmember Yukimura was noted as silent, but shall be recorded as an affirmative for the motion.)

Committee Chair Kaneshiro: Any further cuts for the Mayor's Office?
Councilmember Kualii.

Councilmember Kualii: I just want to make a comment that one of my
proposed cuts is multi-departmental, with regards to positions and salaries.

Committee Chair Kaneshiro: We will take that one at the end.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: That would be perfect at the end. So we are on
Office of the Mayor, including Youth Work Program, ADA Office, and Office of Boards and
Commissions. If there are none, we will move on and not turn back. Next department.

Ms. Fountain-Tanigawa: The next department is the Council, including
Council Services, Elections, and Office of the County Auditor.

Committee Chair Kaneshiro: Any cuts for Council Services, Elections, or Office
of the County Auditor? Councilmember Kualii.

Councilmember Kualii: I can make the same comment, but not just
regards to salaries, but with elimination of positions. There are five (5) or six (6) of them
and one of them is in this department. It will be based on vacant positions and deleted
positions, so multiple departments.

Committee Chair Kaneshiro: Okay. We will take those as a whole at the end.
If nothing for that, we will move on.

Ms. Fountain-Tanigawa: The next office would be the Office of the County
Attorney.

Committee Chair Kaneshiro: Anything for the Office of the County Attorney?

Council Chair Rapozo: Committee Chair, just for clarification, if we
have a cut and an add then that goes at the end?

Committee Chair Kaneshiro: Yes. If you are going to do it as a combined cut
and add, then I will take it at the end.

Council Chair Rapozo: Okay.

Councilmember Kagawa: I just wanted to confirm if Council Chair had a cut to the Office of the County Auditor.

Council Chair Rapozo: Yes. The cut funds will be an add.

Councilmember Kagawa: Okay, so I will lay off that.

Committee Chair Kaneshiro: Let me just say that if we are going to do a cut and add together, it is going to need five (5) votes to pass because it would be considered an add.

Council Chair Rapozo: Let me do the cut then.

Committee Chair Kaneshiro: Okay. Councilmember Yukimura, do you have a question?

Councilmember Yukimura: I have a procedural issue. It seems to me that it might work better if we have just all the cuts and then all the adds because then we know what the consensus is of the cuts without being concerned about what the attached add is. Then when we go to the adds, we also know what the consensus is without being worried about what the cuts are.

Committee Chair Kaneshiro: That is exactly what we are doing. The cuts and adds will be at the end so that we know what all of our cuts are already, and then you have adds at the end also, so we know what our number is.

Councilmember Yukimura: Yes, so then you actually do not need cuts and adds if you just do cuts and adds.

Committee Chair Kaneshiro: In the past, I know Councilmembers have done cuts and adds at the same time and we have voted on it and needed five (5) votes. I have no clue what anybody is proposing or doing, but I know that last year we had cuts and adds together and they wanted it together, and that would be at the very end of all of our cuts and five (5) votes are needed on that.

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: I do not know what you folks are proposing.

Councilmember Yukimura: So those would be cuts and adds only if the cut has already been made, right?

Committee Chair Kaneshiro: Of course, if the cut has not been made. It would end up getting adjusted. Councilmember Kagawa.

Councilmember Kagawa: If I can add clarification, I think if you have four (4) votes, you have your cut. If you have five (5) votes, you have your add. I think former Council Chair Furfaro tried to have that mentality of, "You folks come in with a cut

and an add,” just so that we did not have a Councilmember just come all with adds and look like the “nice guy” and make all of the other Councilmembers look like “bad guys” for shooting down the add, but he was just saying, “At least be responsible. If you are going to come in with an add, have a cut to offset it so that you are not only going to be the ‘nice guy’; you are going to be the ‘bad guy’ as well,” if that makes sense.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: It still is a little fuzzy to me. I understand we are doing cuts now and then we will do adds at the end, but this term “cuts and adds,” is that a third category?

Committee Chair Kaneshiro: It is a third category...we had it last year. People want to gamble with it. If you have a cut, it is easier to get a cut with four (4) votes, but last year we had proposals that were a cut and an add together and needed five (5) votes because it would be just like an add. It will be taken with the adds.

Councilmember Hooser: So will you be doing the third category?

Committee Chair Kaneshiro: Yes.

Councilmember Hooser: Does that mean you will be going back to other categories that we passed?

Committee Chair Kaneshiro: Just for the cuts and adds.

Councilmember Hooser: So if there is a cut and add on something that we have already passed, you are going to allow the cuts and adds to go back?

Committee Chair Kaneshiro: Because it is a combination of a cut and an add.

Councilmember Hooser: Right. For the record, because it is against the law for us to talk to each other, except more than one (1) person, we do not know whether we have four (4) votes or five (5) votes. If you know you have four (4) votes and five (5) votes, then that is a problem.

Council Chair Rapozo: Then we would have it done today.

Councilmember Hooser: Yes. We can guess on that, but we should not know where those votes are, according to the Sunshine Law.

Committee Chair Kaneshiro: If you make your cut very clear and you make it easy for us to decide on, then that would be the best because I have no clue what anybody has and I do not know what kind of proposals are coming through. It is like, “What department,” and I give a little time because I have no clue what is coming through. If it is clear, we are going to take all of the cuts and at the end of all the cuts, we will have a number of total cuts. Then we will take all of the adds and any cut and adds. Council Chair Rapozo.

Council Chair Rapozo: Mine almost can be considered a housekeeping cut because of the Office of the Auditor and the situation. I think everybody knows that we

aggressively solicited and spent a lot of money on trying to recruit an Auditor and have been unsuccessful thus far. I believe this Council cannot ignore the function or the responsibility of doing audits, so my cuts are really the dollar-funded position E-85 and E-73 and obviously with the related benefits, and the \$135,000 for the Forensic Auditors. The intent, as we get to the adds, is to use those savings and put it in a line item for "Performance Audits," so it is basically a wash. That is the intent. When we get to the adds, that is the intent. We have always tried to follow the procedure that if you have an add, you need to have money to fund the add. Basically, I am just transferring the funds from the Auditor's Office at this point over to the Council Services budget so that we can conduct performance audits.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Council Chair, that sounds like a great idea. Who is going to manage the performance audits? Is that going to be Stephanie or is it going to be our office?

Council Chair Rapozo: It will be our office.

Councilmember Kagawa: Our office will make sure that performance audits would come from the recommendations for what performance audits would come from whom?

Council Chair Rapozo: It would come from an individual Councilmember that would introduce a resolution and the resolution that identifies the audit and the scope would have to pass the Council. That is how it is done.

Councilmember Kagawa: What role would the County Auditor's staff play in this?

Council Chair Rapozo: In fact, right now the County Clerk is looking at a transition to bring them back across here.

Councilmember Kagawa: Thank you, Chair.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: What is the total amount?

Council Chair Rapozo: \$366,969.

Councilmember Kagawa: Is that a motion?

Council Chair Rapozo moved to dollar fund Position Nos. E-85, County Auditor and E-73, Audit Manager, and reduce related benefits; and reduce funding for Forensic Auditors and Other Professionals by \$135,000, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Any further discussion? No discussion by the Members? For me, I am in favor of it. I think last year you called me "the audit killer," but this year we do not have an Auditor and we have money available to spend on audits, so why not take the Auditor position money and spend it on audits that we can do now. The

Charter provision is in there where we need an Auditor, but to some extent, I think it would almost be cheaper for us to pay for audits rather than run an entire office.

Council Chair Rapozo: Just real quick for the viewing public. We have not stopped the recruiting. We are doing continuous recruiting for an Auditor. Should we be successful in securing an Auditor, then obviously the funds would be returned back to that office.

Committee Chair Kaneshiro: We got very close to getting an auditor and it did not work out, so we are back to square one again. We are going to have this money in there. It will obviously take us a while to get an Auditor. I think it would be in the best favor of the County to be actually spending money on audits and doing what that office's function was for. Councilmember Yukimura.

Councilmember Yukimura: Yes, I like the idea. I have some concerns about a political body, like the Council overseeing the audits. We have done very well in terms of our recruiting process for the Clerk and the Auditor in the past few years and I think if we set up the system correctly with a good audit committee, I would guess—I do not know if that is what you have in mind, Chair?

Council Chair Rapozo: That is what I have in mind.

Councilmember Yukimura: Then I think it can work and it is worth trying to set a system to see how it would work.

Council Chair Rapozo: This is how it used to be done. The fact that we did not do any audits does not mean that we did not have the authority or the money; we always did, we just never did it. It is something that we need to do...we need have to those moneys available should this body decide. To clarify, it would not be this political body overseeing the audit, it would be our staff, not so much the County Council. We would get the recommendations and the report, but as far as the managing of the contract for the auditor or the accounting firm or whoever is doing the audit, that would be managed by our County Clerk's Office.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you. I am supportive of the maneuver to readjust and I am also happy to hear that we will be reorganizing and saving some income on a monthly basis on space. I think it is really important that we continue to seek an Auditor. I think we have set the bar really high and that is why it is going to be difficult to fill that position. I think this is a good interim decision. However, I do see the value in having an independent auditor, who is dedicated, because we can count on them to follow through and assist where we see the deficiencies or gaps. That is my expectation of a full-time Auditor to be able to provide those kinds of services in the long run. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Just to piggyback on that, as we went through the process of the interviews of our candidates, I think we learned a lot about how the Auditor's Office is supposed to be run and how they are a service office and not an "I got you office." That is what we are trying to find and we are just trying to find that right

candidate. The County Clerk has been instructed to continue the search. I can tell you that this matter will be brought up for discussion shortly because I think we really need to look into some options.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I want to concur with Councilmember Chock and Council Chair, that I think ultimately having an independent auditor and a separate office is the best way to go, but that presumes that we can find the right person. As our Committee Chair said, we got so close and I think we are holding out for that kind of quality and possibility in this County.

Committee Chair Kaneshiro: Any further discussion? If not, can we take the roll call vote, please?

The motion to dollar fund Position Nos. E-85, County Auditor and E-73, Audit Manager, and reduce related benefits; and reduce funding for Forensic Auditors and Other Professionals by \$135,000 was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kualī'i, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion passes. Any further cuts for Council Services, Elections, and the Office of the County Auditor? If not, we will move on.

Ms. Fountain-Tanigawa: The next department is the Office of the County Attorney.

Committee Chair Kaneshiro: Any cuts for the Office of the County Attorney?
No. We will move on.

Ms. Fountain-Tanigawa: Office of the Prosecuting Attorney.

Committee Chair Kaneshiro: If there are none, we will move on.

Ms. Fountain-Tanigawa: The Department of Finance.

Committee Chair Kaneshiro: If there are none, we will move on.

Ms. Fountain-Tanigawa: The Department of Human Resources (HR).

Committee Chair Kaneshiro: Any cuts for HR? If not, next.

Ms. Fountain-Tanigawa: Planning Department.

Committee Chair Kaneshiro: Let me know if we are moving too fast.

Councilmember Kualī'i: I do not want to say it every time, so I am just...

Committee Chair Kaneshiro: We heard it. I do not want you to say it twenty-two (22) times.

Councilmember Kualii: Okay.

Ms. Fountain-Tanigawa: Office of Economic Development.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: My motion is to remove the \$90,000 from Other Services for Energy-Sustainability & Climate Action Plan. Again, for the purposes stated earlier that we have to start looking at the necessities and fund that, so I do not believe at this point that this is a necessity.

Council Chair Rapozo moved to remove funding in the amount of \$90,000 from Other Services for Energy-Sustainability & Climate Action Plan, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Any discussion? Councilmember Yukimura.

Councilmember Yukimura: I actually think this is a necessity, but in speaking with Economic Development, I do not think the project has been well-designed and I think it needs to go back to the drawing table to develop it. A climate action plan is very, very important for this County, but we need to be real clear about how the services will be procured and what the outcome and the expected results will be from it, and I think that has not been clear. I regretfully will vote for this, asking for the cut in the hopes that there will be a reconstruction of the proposal and we can consider it at another time.

Committee Chair Kaneshiro: Any further discussion? Councilmember Kualii.

Councilmember Kualii: I will just add that I do think it is important as far as outreach and education and that the intent is right. Like Councilmember Yukimura said, there needs to be a better plan and proposal. Also, I think one of the main things when I met to get more information on this is that I want to see the community partners and how we, as a county, leverage our part of the big plan. There are five (5) different potential industry partners in electricity, ground transportation, air travel, tourism, and consumption and solid waste and in food and agriculture. So I would like to see leaders from each of those industries participate in this fully, not only with showing up to a meeting every once in a while, but putting some money towards the effort, even if it is small amounts of money like \$20,000 or \$30,000. We have five (5) different industry partners and leaders bringing in \$20,000 to \$25,000 and bringing skin to the game gets there much quicker to the \$90,000. This is planned as a two-year plan of \$90,000 and \$90,000, so \$180,000. So this is a good first attempt, but needs to be better. Thanks.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I had the same concerns after the presentation that was made here. I was happy that I had the chance to meet with Ben and George to go over the plan in more detail. I have the same concerns and voiced them at the meeting about my interest in more specificity, partnerships, and so forth. It is such an important

thing for me though that I am not inclined to support this cut at this time. I feel like it is needed and we need to move forward on it. While I think there is much more work to be done and better work on it, I just feel like we cannot wait on it. I probably will not be supporting this cut. Thank you.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I also had the opportunity to meet with Ben and George about this, and I will not be supporting the cut. I believe it is a relatively small amount of money to put towards a huge, huge problem. Many would argue that climate change is the most important issue facing our times right now globally. I think it is important for our community to do its small part. It will be a very small part, but at least we will be able to set an example. People talk about, "What can we really do? What can we do to impact this issue?" Well, it is like saying, "Why does my piece of trash that I threw out of window really matter?" If everybody did a little bit, we could get a handle on this. I am confident that just by approving this money in the budget does not mean that they are going to run out and spend it "willy-nilly." I believe strongly that they would listen to the concerns of the Council and look closely at their plan, and then move forward after those concerns have been addressed. Again, it is a relatively small amount of money for a very, very important issue and I think our County needs to voice its support and not cut these funds. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: We have gotten a lot of E-mails from Zero Waste Kaua'i about going with a Materials Recovery Facility (MRF) and do not go with Waste-to-Energy and they talk about energy sustainability and they say it is bad for the environment, which is bad for the climate if you have a Waste-to-Energy because of the ash or smoke that comes out when you incinerate. Again, it is one thing to spread fear and lies, but what are the facts? With a MRF, you sort it, bundle it, ship it across the ocean, and then bring it to a facility in California where they are going to burn it and turn it into regular cardboard. So you care about the ash on Kaua'i, but you do not care about the ash in California. How is that globally being sustainable and concerned? There are tons of water and fossil fuel that is needed to turn your all of your recycled rubbish into a good product. Again, we have to look at the facts and not listen to fear. A lot of E-mails are just ridiculous. I wish you all could read it.

Committee Chair Kaneshiro: Councilmember Yukimura. Let us stay on this item, Energy-Sustainability & Climate Action Plan.

Councilmember Yukimura: Do you think I would not?

Committee Chair Kaneshiro: I am just saying. That was not only to you; that was to everybody. Let us stay on this.

Councilmember Yukimura: Right.

Committee Chair Kaneshiro: I understand because it had to do with the energy sustainability part. I do not want to get into a back and forth argument on the MRF because I am sure that will come up later.

Councilmember Yukimura: Well, what I wanted to say was that this issue is very, very important and like Councilmember Hooser said, you cannot say, "Kaua'i is just a small thing. What we do does not make a difference," because even though it is a drop in the bucket, all the drops make up the bucket and we have to do our part and it is a way of thinking that has to change. Like I said, this study is a necessity; however, as we heard, it is a two-year thing, so by committing to this we are committing to next year, presumably. I think it has to be put forth as one budget of \$180,000, effectively. You cannot do it in two (2) parts. That is part of the reason why I think they have to go back to the drawing board and come to us with a full proposal. I want to say that there is lower-hanging fruit. This is a study that is going to set targets and develop some strategies to get to our targets for lowering our greenhouse gas production here on the island. We have an opportunity and the possibility today to fund expansion of the bus system, which if we implement, we do that to implement our Kaua'i Multimodal Land Transportation Plan (KMLTP). That plan shows that we will reduce carbon emissions in our transportation system by twenty-seven percent (27%). That is what the Intergovernmental Panel on Climate Change (IPCC) is saying the world should be doing, reducing at about twenty-five percent (25%). I can see that this is very interesting. That is what we have the opportunity to do now, so I would love to see some real action on the concrete actions that we can take. As for this study, I think it has to be restructured, but I hope it will be done soon and I hope we will get back a winning proposal that we can all vote for and support so that we can do our part in climate change.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I would just say that any kind of effort like this, which is about the long-term future...well, it could be short and long-term future and we are talking about transformation and how our citizens behave day-to-day with regards to the environment. I think it really can only be successful if you have buy-in from all of the stakeholders and that if you have investment from the different leading stakeholders. I would have preferred to see something like this as grant proposal to a leading community group or nonprofit or even a coalition of multiple community nonprofits that are working on this goal, and that the County only be a partial funder, that there be other sources of funding. For this amount, I cannot support that.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: To be clear, I do not know how many had the opportunity to meet with the proponents of this, but there are other partners and funders that are part of the program. This is part of the funding, but it was clear to me that they are seeking grants and other partners, both in the private sector, as well as the public sector to do this; everyone from the electric utility to the hotel industry and others. It is a partnership; there is no question about it. To be clear on the MRF, the MRF is designed or intended to be supportive of recycling and new industries here on Kaua'i and to support recycling of our products and not burning our products. I have not seen anywhere in the plan or in the proposals that the intent is to sort things out and send them off to the mainland to be burned, so I think it is a mischaracterization of the MRF. Thank you.

Committee Chair Kaneshiro: I do not want to go back and forth on the MRF either because that is not really on the topic. Let us...

Councilmember Hooser: Can I add something?

Committee Chair Kaneshiro: Not about the MRF though.

Councilmember Hooser: No. If the Chair is going to allow an argument to represent one side of it, then I think it is only fair to allow discussion on both sides of it. If you want to nip it in the bud initially, that is cool. But if you are going to allow one (1) member to go off on a tangent, then I think it is only fair to allow others.

Committee Chair Kaneshiro: I see how this can go. Some members may make comments on other items. I do not want to see us go in the direction of, "Oh, you made a comment on that, so let me make a comment on that." I want us to stick to the item. I want you folks to be free to say what you want to say and sometimes we go off on a tangent and I am hoping you folks come back on it, but I do not want to keep going back and forth on a discussion that is not even a budget item. I do not want to just cut you off because you may be trying to make a point and I may be thinking that you are going off on a tangent, but I do not want to have the back and forth dispute on it. Councilmember Kualii.

Councilmember Kualii: I want to say that I met with Ben Sullivan and George Costa and I have extensive notes here and this is what they said: that there is no financial commitment from any partners yet. They are hopeful that they can get \$10,000 to \$15,000 from Kaua'i Community College (KCC). There is no financial commitment from the Kaua'i Island Utility Cooperative (KIUC) at all and their hope is to apply for this "Partners for Places Grant." It is a two-year grant for \$150,000. They just missed the deadline, so they are applying again and they are hoping to apply in December. The hope was that if they could get some level of funding, if they got something from this grant, that it would lessen the need for the \$90,000 in the second year. Those are the facts when it comes to the financing behind it.

Committee Chair Kaneshiro: Any final discussion on this? If not, can I get a roll call vote?

The motion to remove funding in the amount of \$90,000 from Other Services for Energy-Sustainability & Climate Action Plan was then put, and carried by the following vote:

FOR MOTION:	Kagawa, Kualii, Rapozo, Yukimura,	
	Kaneshiro	TOTAL – 5,
AGAINST MOTION:	Chock, Hooser	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Any other cuts for Economic Development?

Council Chair Rapozo: I do.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I am going to preface my cut with what Governor Ariyoshi told me way back when I first was elected. I do not know how I ended up talking to him, but I did and he said, "As you get more experience in politics, you need to understand that your main function is the core, the core functions of the people," which is

public health, public safety, and such. As I go through this budget, I was so tempted to put in a lot more of these cuts and yet I understand that some of these programs are ongoing, but really it is core? Is it something that we have to do? I am just trying my best. Like the little drops in the bucket that Councilmember Yukimura just talked about, those little drops add up to be a big bucket. So I have this proposal to cut funding for the Visitor Industry Plan Monitoring of \$25,000. We have access to a lot of resources that is already being done. We have the Economic Research Organization at the University of Hawai'i (UHERO) and all of these other agencies like the Hawai'i Tourism Authority (HTA) that does reports that monitor visitor activity and we need to rely on that and we need to stop spending money that we do not need to spend. Again, this little drop can be used for something else such as roads and we can rely on the existing information that is provided by the University of Hawai'i at Mānoa and by the Department of Business, Economic Development & Tourism (DBEDT) and everyone else that is already doing this work. We do not need to be constantly increasing our expenditures when we can rely on information that is readily available. That is my proposal.

Council Chair Rapozo moved to remove funding in the amount of \$25,000 for Visitor Industry Plan Monitoring, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Any discussion? Councilmember Chock.

Councilmember Chock: Thank you for the cut. I had a question. Do we get a specific report or something back from this that you are aware of? I am trying to figure out how the \$25,000 is actually spent.

Council Chair Rapozo: Let me answer you in this way. Have you ever sent money away to someplace and realized at one point, "I do not even know what I am getting for my money." You stop the payment, right? Whether it is a magazine subscription, it is the same thing. I do not know what we get out of this. As far as I am concerned, the visitor industry monitoring is done by other agencies. I think we, as a county, have to rely on those types of information and resources that do not cost us. We have to be disciplined and I do not believe this is a vital part of our budget.

Committee Chair Kaneshiro: Councilmember Chock, do you have anything further? Councilmember Yukimura.

Councilmember Yukimura: I would like to ask Economic Development to at least give us an answer.

Committee Chair Kaneshiro: Okay. The rules are suspended. You may want to state the question.

Councilmember Yukimura: Yes.

There being no objections, the rules were suspended.

GEORGE K. COSTA, Director of Economic Development: *Aloha.* George Costa, Director of Economic Development. As far as the visitor industry...

Committee Chair Kaneshiro: Let her ask the question then you just answer the question.

Mr. Costa: I am sorry.

Councilmember Yukimura: I think we are wondering exactly what the County gets for this \$25,000 for Visitor Industry Plan Monitoring.

Mr. Costa: The presentation on the tourism strategic plan that was recently done, the monitoring is basically the follow-up. We contract Kaua'i Planning and Action Alliance (KPAA) to work with the various visitor industry partners to ensure that over the three (3) years, a lot of the recommendations that were part of that tourism strategic plan are being followed up on. Currently, we have focus groups that participate on a monthly basis to ensure that a lot of the recommendations that were presented in the tourism strategic plan are actually followed-up on. We can provide you with results of those meetings and ongoing processes that take place as part of the follow-up. This would be the last year of the funding. We have done it for two (2) years already as a follow-up to the tourism strategic plan.

NADINE K. NAKAMURA, Managing Director: Nadine Nakamura, Managing Director. I also wanted to add to what George said that because the visitor industry is the largest industry on Kaua'i, there is finally a strategic visitor industry plan that helps to guide the industry. The problem is that when you have the plan, now you have to implement the plan. The funds bring together all of the key stakeholders in the visitor industry who do not normally talk to each other. Kaua'i Visitors Bureau (KVB) is primarily a marketing agency. The visitor industry plan, however, talks about some of the other educational issues to make sure that our students can go into the visitor industry and make that transition that talks about the infrastructure needs that relate to the airport, our roads, and so forth. It is a much broader discussion that if you do not bring all of the different people to the table to have that discussion and say, "Okay, this is now how we are going to implement this plan"; it is not going to happen. This is the facilitation piece to bring the stakeholders together to then take that plan. As George pointed out, they have action teams of taking one topic area, and then really start getting into, "Okay, this is how we want to address this issue, so how do we go about doing that?" It does take some facilitation to make that collaboration happen and that is why these funds are set aside. Just one concrete example that is going on right now is the discussion about the infrastructure, the traffic concerns, and the need to really look at shuttles. How do we get our visitors out of there? How do we pay for it? I think the policy set by the Council is that we really need to bring in outside revenues to help make it work. It should not just be County revenues. That is something they are exploring and looking at what can be options, and how do we engage the industry to help pay for those options and so forth. It takes bringing people together around...

Committee Chair Kaneshiro: So the money is for a facilitator?

Ms. Nakamura: That is correct.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The results of this...how many years have you had this now? Two (2) years? Is this the last year?

Ms. Nakamura: It may be the second or third year, but it is something that I believe is an ongoing need.

Councilmember Yukimura: I was impressed with the updated tourism strategic plan that was done partly through this process. Is it that updated plan that you are facilitating around? Besides just talking about it, can you describe some concrete actions that have come out of it to implement the plan?

Mr. Costa: George Costa for the record. A good example is that one of the focus groups talks about transportation. When you look at the visitor industry, most people think of hotels, condominiums, timeshares, and now we vacation rentals, which is about twenty-five (25%) of the overall industry. Then you factor in airlines, rental cars, activities, and companies, so it comprises about forty percent (40%) of all of the jobs on this island. So what this facilitation does is bring those industry partners together to look at areas like transportation. How can we address the situation like the traffic that we have on the island by these industry partners?

Committee Chair Kaneshiro: I have a question from Councilmember Chock and Council Chair Rapozo.

Councilmember Yukimura: I hear that you bring them together. I am just asking what is resulting from the coming together.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I guess the other question I have is how many groups of studies do we have looking at the same thing? I do not need a consultant to tell me that we have a traffic problem in Kapa'a and Kaumuali'i. I think we have multimodal studies, shuttle studies, and all of these different types of studies...I do not see the need...I think we know what we have to do. I think what Councilmember Yukimura just said, it is not about just talking about and facilitating meetings to tell us because we know. It is how do we fix it? That is what I do not see out of this. To me, \$25,000 in a much more practical place makes sense. I just cannot continue to support...this is the second year, not the third.

Ms. Nakamura: Yes.

Council Chair Rapozo: I remember this discussion last year and I did not hear that it was going to be an ongoing expenditure. I thought it was a one shot, one contract, come back with the report, and tell us. That is what I thought. When I saw it on here, I was kind of confused. Is it going to be every year, \$25,000, to tell us that we have traffic problem? I am done.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I am still not clear how these facilitated discussions either come up with solutions to problems or result in the implementation of the plan. Maybe you can help us understand that.

Ms. Nakamura: Nalani Brun who participates on this is on her way. One of the things that I wanted to just point out is that it is not about telling us because everybody knows what the problem is. The plan states this is how we want to try

to solve the problem in order to get participation from the visitor industry to, for example, help us fund the shuttles. Now they are working on some of those strategies to make that happen and it will not happen unless there is some focused discussion that involves everyone who really has a stake in the solution, and that will not come about on its own. It requires the collaboration with the various industry partners, so it is not about identifying the problem, Council Chair Rapozo. It is about finding the solutions that everyone can work with and feel comfortable moving together with because it is a complex situation. The Council said to find ways so it is not just the County involved in the funding of these shuttles; find other ways. So they are doing some problem solving around that.

Council Chair Rapozo: Who else contributes to this effort, as far as the visitor industry? Is anybody else kicking in any money?

Ms. Nakamura: Not that I am aware of.

Council Chair Rapozo: Exactly. Who is the beneficiary?

Ms. Nakamura: I think we are all beneficiaries.

Council Chair Rapozo: Exactly, so we all should pitch in. Again, our taxpayers should not be funding that. Are there any action items that came out of this last year that I might find in this budget that they have recommended?

Ms. Nakamura: Nalani Brun is on her way and she will have some other details.

Council Chair Rapozo: Well, I do not know how long we are going to stay on this item. Anyway, thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The strategies that you determined are...I know...was Nelson/Nygaard our...if you are discussing this issue, did our consultants meet with this group? This is just an example to me if there is actual...

Committee Chair Kaneshiro: Again, the money is \$25,000 for a facilitator.

Councilmember Yukimura: Right. Shall I ask Nalani that question? The Managing Director just told us that one of the issues this facilitated group is dealing with is transportation and traffic congestion and how to fund some of the potential solutions for the Visitor Destination Areas (VDAs) like a shuttle. My question was did this group meet with Nelson/Nygaard, the County's shuttle study consultants?

NALANI BRUN, Operations Manager/Economic Development Specialist IV – Tourism: Nalani Brun, Office of Economic Development. No, they have not met with the consultant; however, we are meeting with Lee Steinmetz regularly. He is one of the leaders in our group, along with Larry Dill and Michael Moule. They have gone over different things. They have looked at the options when it came to the shuttle discussion, which is a big one, because they are trying to figure out how to fund it. We bring Lee in on almost every meeting and he keeps us updated on what the rest of them are doing. We could definitely meet directly with the shuttle person, but we are pretty

much getting fed all of the information. Right now, their first topic was a north shore shuttle, and then they are looking at Po'ipū and all of the others. Really, our discussion has been centered around funding and how to get that done and whether that is through the rental car system or through the visitor association.

Committee Chair Kaneshiro: Question, Councilmember Yukimura, so we can get going on this.

Councilmember Yukimura: Yes. This question was a test question because I want to see how well-structured this discussion is and if Lee is not telling you about assessment districts and stuff, then I do not know what is going on and how you can get to effective solutions. My question is, is it impossible for you to facilitate the discussions?

Ms. Brun: It is not impossible. Overall, the problem really is time. Most of our items in the budget are because we are just constrained with so many different projects, that to pull away...we do like four (4) or five (5) meetings a month. Each one comes up with meetings and we have this huge action plan and we are trying to make sure we stay on track with our action plans and which step we are in. We meet all over the place from the college, who is helping us with the workforce problems, to the cultural people that we have to try to get together to talk about how we are going incorporate culture properly into tourism. That is huge right now. Then of course there are the traffic ones, which we meet all the time. For the TAT, we were constantly meeting about that, trying to figure out how to get them to change their minds about what they are doing. We met with people, it is not like we are just talking within ourselves. We actually go out and we have teams that have to go out and testify different things or try to talk behind doors with people to say, "Hey, would you consider doing this?" It is just hugely time-consuming. We need her to continue this. I do not know how far we will go without some facilitator to keep us going. That is really what happened after the 2006 plan. We did not do anything.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: If you could think about what is the biggest action outcome that we can sit back after a year's work and say, "This is what has happened. We have accomplished this because of this," then this is what this body needs to know.

Ms. Brun: Actually, June is lined up for our final report and we have a big stakeholders meeting because that is the end of the year. We bring everybody in and they see our priorities and action plans, where we are, and we get feedback from the community on, "Are we going in the right direction? Is there new information out there that we need to continually go in the right direction?" That is actually scheduled for June, which we do every year, and then we have a big final report that comes in. I think actually getting the visitor industry to talk about any kind of fees that would help to pay for something very specific has been a huge undertaking, and getting behind the TAT issue. They have been coming in force, trying to get someone to listen to them and say, "All of this money is coming in, but it is not coming to the island, yet you want us to raise the General Excise Tax (GET) or whatever it is." That is the big thing. It is just kind of bringing the force of the visitor industry finally under one roof and getting them to agree to move in one direction. That is probably the biggest thing we have accomplished.

Committee Chair Kaneshiro: Councilmember Yukimura. Let us try to tighten it up. We have a question from Councilmember Kuali'i, too.

Councilmember Yukimura: Nalani, would you say that as a result of this meeting, you have increased and made a presence of the visitor industry in the discussions at the Legislature about the TAT?

Ms. Brun: They have. Actually, a lot of the TAT discussion was on the phone. We knew where people stood on the issue. We just had a lot of our people...they got poked at a lot for trying to stand up for us and they tried to hold their ground and worked really hard. I know that maybe people do not see it because we did not get anything, which is really frustrating, but they are back there and constantly making phone calls and we have little E-mail sessions where, "Can you work on some testimony for this?" They have been sending it; we just cannot seem to get anyone to listen.

Committee Chair Kaneshiro: Councilmember Kuali'i.

Councilmember Kuali'i: Does this \$25,000 pay for anything other than the facilitation of meetings? So the facilitator is KVB?

Ms. Brun: Right now, it is the Kaua'i Planning and Action Alliance (KPAA). They have taken us since 2006.

Councilmember Kuali'i: Who are the lead stakeholders?

Ms. Brun: The stakeholders?

Councilmember Kuali'i: The County? KVB?

Ms. Brun: The County and KVB...we stand as the lead, so we are kind of the strategic planners.

Councilmember Kuali'i: So the County, KVB, and the other stakeholders—it is not as important to any of those stakeholders that they would meet anyway without a \$25,000 funding?

Ms. Brun: I think that they would. It is trying to organize the meetings and trying to get the spots.

Councilmember Kuali'i: So trying to organize the meeting at forty-eight (48) meetings a year, it is five hundred twenty dollars (\$520) to organize a meeting?

Ms. Brun: And writing all of the reports of all the meetings. It is a lot.

Councilmember Kuali'i: Reports, minutes, et cetera?

Ms. Brun: Yes. The constant phone calls, setting things up...we wanted to watch the TAT when Mike White came here to speak and we sat around and watched that to see what he had to say.

Councilmember Kualii: The things you talked about as far as getting the visitor industry together and talking about fees and the TAT, the potential for finding revenue to support those efforts is there, but perhaps the stakeholders should step forward and do it without \$25,000 from the taxpayers. It needs to be done. It is awkward to say that without this, it would not happen. I think it would happen. It is important to everybody. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Nalani, presence may have been on the phone and in E-mails, but I can honestly tell you that...this is one of the biggest frustrations because I have been to many of those hearings and there was no presence from anyone else but the counties and the mayors. There was no visitor industry and no unions; nobody was there begging for the TAT. I am sure a lot of people called our delegation on Kaua'i and wrote some E-mails, but the fact of the matter is when we are at the Capitol lobbying, there was very little activity from the visitor industry, really very little intervention. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I will be quick. There is a report in June from this fiscal year's funding and your request is for next fiscal year to have this kind of facilitation with a report at the end. I heard that this is the last year or is it an ongoing process, as you see it?

Ms. Brun: This next funding would take us through June of 2017. The plan itself ends in 2018, so by that point, we are going to try to decide what to do. If we could accomplish those actions, that is really what the goal is. Our actions remain almost the same from 2006 and the problems have just exacerbated even worse. As of next year, we pretty much feel that action teams will be on their way with the work and we will not have to continue. This is only our first year. Next year would be the second year we are really implementing.

Committee Chair Kaneshiro: With that, any further questions? If not, I would like to bring the meeting back to order and have our final discussion on it. Thank you. Any discussion on this item before we vote? Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: One of our constant complaints about plans is that we do a lot of work, like our General Plan Update, to create them and then we put them on a shelf until it is time to do another update. It is interesting that with the homestay issue that we had last year, there were General Plan recommendations about this in 2000 and almost nothing has been done. So I see value in a process that is tracking implementation. I wish I had taken some time to read the reports and actually see what is going on, but I do commend the effort to not just do a plan and put it on a shelf, but to try to make sure that something is happening about it. I do wonder in my mind whether the industry could contribute part of it and I do not know what the resources are there, but I think it is a worthwhile format, if you will, or procedure. We spend a lot of money putting a

plan together and you do that because you actually want to get from one place to the next. That is why you do a plan. So to track the implementation of that plan is important.

Committee Chair Kaneshiro: Any further discussion from the Members?
Councilmember Chock.

Councilmember Chock: I was about to cut this. I need tangible success to continue from the group. I am not saying it is not happening; I just need to be able to grasp it and that means action accomplished. I have some fears about people meeting, and with good intentions, and we need to take that and we need to solidify some real tangible outcomes, and then I can really get behind this. I have been a part of other processes that...I guess just too many that I have seen just a lot of good intentions not moving forward. I am willing to support it, but I do agree that an amount contributed from our stakeholders in the continuation of it would be imperative for me as well. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I would like to suggest a possibility, which I am just putting it out on the table, that we may be funded at two-thirds and see if the industry can come up with the other third.

Committee Chair Kaneshiro: Scott, how do we do this? Do we take the vote on the cut first, and then it would be considered an add if they wanted to do two-thirds, right?

Council Chair Rapozo: We can take the vote on mine. If it does not pass, then she can do another one for a cut.

Committee Chair Kaneshiro: If it passes...

Council Chair Rapozo: Yes, if it passes, we move on. If it does not, it does not. We are not here to get consensus; we are here to make the move.

Committee Chair Kaneshiro: Okay. We will take a roll call vote to cut the \$25,000.

The motion to remove funding in the amount of \$25,000 for Visitor Industry Plan Monitoring was then put, and carried by the following vote:

FOR MOTION:	Hooser, Kagawa, Kualii, Rapozo,	
	Kaneshiro	TOTAL – 5,
AGAINST MOTION:	Chock, Yukimura	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Any further cuts for Economic Development? I have one on the \$50,000 for the Kauai EBT Program.

Councilmember Kagawa moved to remove the funding in the amount of \$50,000 from Grant-In-Aid for the Agriculture-Kauai EBT Program, seconded by Councilmember Kualii.

Committee Chair Kaneshiro: My justification for this is in the presentation that we had, we recognized that we were paying \$50,000 to a nonprofit organization to implement this plan and we get \$18,000 worth of EBT spending on it. For me, we have to look at these projects and say, "Does this really make sense? Does it make sense for us to pay \$50,000 to get \$20,000 in spending?" For me, it is kind of a no-brainer. I say that is not working. We are better off spending \$20,000 giving it to the EBT users, free money of \$20,000 and they go spend it free at the farmers market and we save \$30,000 on this entire program. For me, I do not want this in the budget. My personal opinion is if you want to come back with something, come back with something that makes sense. That is my position on this. Any discussion? Councilmember Yukimura.

Councilmember Yukimura: I appreciate the Chair's analysis of this because I think we have a lot of well-intentioned programs, but we have to understand the cost-benefits of it and I think we want to set high standards for performance so that we want any proposal that comes before us to really show that it is working in the best way possible. I am inclined to support it, in the hopes that what will come back to us will be a better-designed program to address that. If we could just right now say "EBT, \$25,000, direct payments," then I think I would vote for that. There always has to be an implementation mechanism and I do not think that has been thought through. But I think the goal, I support totally to supply the money to get to families that need to buy food. I think it is really worthwhile for us to ask what the best way to do that is and this does not seem like the best way.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I have a quick question for Economic Development. I do not doubt what you said is true, but I would like for them to respond if they could. Is that the sum total of the benefit of spending \$50,000 is \$18,000?

Committee Chair Kaneshiro: I will suspend the rules.

There being no objections, the rules were suspended.

Mr. Costa: For the record, George Costa, Director of Economic Development. It costs \$50,000 to implement the program; that is correct. That includes the registration with the United States Department of Agriculture (USDA) to get the equipment to process that. You cannot just give the money to EBT people because there is no way to go to the market to transact purchasing of the produce. There is an administration cost, travel costs of the EBT person going to each market every week, so it does cost \$50,000. Right now, the \$18,000 or back in February or March was year-to-date, so the program will run to June. So we anticipate that is probably going to be about \$25,000; still, it is \$25,000 benefit and \$50,000 cost. The whole program was, I guess, approved by this Council back in 2008-2009. Judy Lenthall from the Kaua'i Independent Food Bank presented it and I remember when I came onboard, I heard this Council say, "Hey, this is a one-time deal. Do not come and ask us again," and we have supported this program since 2008. It is a benefit to those beneficiaries, but again, it does cost money to implement.

Councilmember Hooser: It sounds like some of the costs were startup costs, to register and for equipment, but that does not have to be purchased anymore.

Mr. Costa: Right.

Councilmember Hooser: So can it be done for less money?

Mr. Costa: Well, the ongoing costs—I have seen the budget to administer and basically the bulk of the cost is the pay the person to be at those markets at the time the markets open and the fuel costs are the biggest costs to this.

Councilmember Hooser: Okay.

Mr. Costa: Then after that, it is basically the marketing, going out and doing public service announcements, ads in The Garden Island, and other periodicals to basically advertise the program and get the beneficiaries to participate in the program.

Councilmember Hooser: Could we do the program for \$25,000, instead of \$50,000 without the frills?

Mr. Costa: I am not too sure. Kaua'i Independent Food Bank was doing it for \$80,000 and they could not afford it, so this Council body, we reduced it to \$50,000 and see who out there is willing to take this on. We had five (5) organizations: the Department of Health, Catholic Charities, Kaua'i Food Bank, and I forget who the other ones were. They came and said they were interested. They ran the numbers and came back and said, "No, we do not want to do this." At the last minute, Mālama Kaua'i said, "We will step up to the plate and try and see if we can implement this program," and they are doing it for \$50,000, but it is a stretch. I do not know if it can be done for \$25,000.

Councilmember Hooser: Okay.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Are there any models elsewhere of how to do it better?

Mr. Costa: They do EBT at the Hilo market and they do it at Wai'anae at the Wai'anae market.

Councilmember Yukimura: Have we looked as to how they do it?

Mr. Costa: I have spoken to those people. I can ask them for hopefully their financials to see what it costs for them to implement it. Obviously, there is a lot more people that take advantage of the program in those markets.

Committee Chair Kaneshiro: Any further questions?

Councilmember Yukimura: Just to finish off, I do not know where we are getting that song "From Heaven on Earth," but...

Committee Chair Kaneshiro: It is to keep moving. Just kidding.

Councilmember Yukimura: It appears to me that it needs some work. We need to research and figure out how to do it more effectively so that more money can reach the people who are targeted.

Mr. Costa: When the Council funded this program with a lot more money, I think it was at \$80,000, we were in private markets along with the County markets like KCC, so it generated a lot more, but it was not...then you would have to have somebody to monitor it to ensure that those EBT beneficiaries are buying healthy food, the produce, and not the value added products, which under USDA rules, is not allowed. So we had three (3) more markets when Kaua'i Independent Food Bank and we had a lot more people taking advantage of the EBT Programs.

Councilmember Yukimura: Why did it stop? Because it took too much monitoring?

Mr. Costa: Because they were not paying for it. We have asked them that if they want it at their markets, they need to contribute to the costs. These County funds are only at the County sunshine markets right now.

Councilmember Yukimura: Well, the sunshine markets need to be really revamped, but okay.

Committee Chair Kaneshiro: No more questions?

Councilmember Yukimura: No. Thank you.

Committee Chair Kaneshiro: Question?

Councilmember Hooser: Yes, quick follow-up.

Committee Chair Kaneshiro: I got my number directly out of their presentation.

Councilmember Hooser: Right. It threw me off when you said we are not KCC because they were in the past, right? If they were allowed to be at KCC, the other markets, would they then generate more EBT sales? They would? So the \$50,000 would then go a lot further if they were allowed to go in these other markets?

Mr. Costa: Then those markets would benefit.

Councilmember Hooser: But they were not paying in the past, right?

Mr. Costa: No, they were not paying in the past when we did the introduction.

Councilmember Hooser: And we were there?

Mr. Costa: Right.

Councilmember Hooser: If the end result is to get more of these sales into the people, they are using the EBT, as well as the farmers, why would we not let them in for the same \$50,000?

Mr. Costa: When you had the private markets like Kukui'ula or Kmart, KCC, and I forget who it was...the Food Bank's program, which also had some grant money, that is why they could include the private markets so the coupons would be for the County sunshine markets. When that went away, those private markets said, "(Inaudible) your markets, but you need to help contribute to pay for the EBT personnel to be there."

Councilmember Hooser: Right. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Just really quick and hopefully this helps you, but ultimately though, more markets means more staff hours to staff those markets, so you would need more money?

Mr. Costa: Right.

Councilmember Kualii: Even though you might be reaching more people and reaching a value of more than \$18,000, it would take more money.

Mr. Costa: Right.

Councilmember Kualii: So the only other thing is have you thought about instead of having a person at every market all the time, because there are long hours that all add up, having one (1) day a week or one (1) day every two (2) weeks where people who want to use tokens go somewhere and buy their tokens and farmers who want to turn in their tokens to get their cash go there. Then you can narrow the labor cost to something really much smaller than what you are looking at now and it might work. Have you thought about that?

Mr. Costa: We looked at something like that, especially when it came to the farmers turning in their tokens to redeem. A lot of them are in a rush, so they do not want to wait until after the market closes to redeem theirs, so they wait for the next market. But then for the EBT person, now they have to be there longer because you have this rush of farmers...

Councilmember Kualii: I think if you try something, you might find deficiency.

Mr. Costa: Yes.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I just have to ask, there is a cost to the program; what is the ratio of that to what we can get into the hands of the customer? Everyone around the table is having a hard time with the fact that we are expending more for the resources to administrate, rather than the benefit. If we can get a better picture as to what

that true cost is—what I am hearing is that it is not clear and there are a lot of different variables, or we could change and increase it. There needs to be a ratio of what is the maximum we can do and I am just not clear on what that is. Does it truly cost \$30,000 in order to get \$20,000 out?

Mr. Costa: Right now, the way it pencils out, again because of the cost of paying that person to be there at the markets and the fuel costs...the additional part is doing all of the reports, the financial transactions, working with the USDA, that is an administrative cost. Maybe that can be done for free. I do not know. We can check with Mālama Kaua'i. Maybe they can do it as part of their donation to the community and just have the actual EBT person that is at the market collecting the tokens and processing the EBT benefits. That would reduce the cost if we would only have one (1) person doing that. Right now, you have that person doing it, and then the administration of Mālama Kaua'i doing all of the financial work reports and everything else that goes with it.

Committee Chair Kaneshiro: Again, right now, we are going to be paying \$50,000 to receive \$25,000 worth in EBT spending. Any further questions? If not, I will bring the meeting back to order. Any final discussion on this item? I guess my final discussion is that it sounds great, it is not that I do not like EBT spenders or anything, but the bottom line is does this make financial sense, and to me it does not, which is why it is on my cut list. If this is something that we want to do, we have to go back to the drawing board and come back with something that makes sense. Council Chair Rapozo.

There being no objections, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Maybe putting it out to bid...I know for a grant-in-aid, you do not need to go out to bid and you do not have to go through procurement, but maybe that would be a better option to put the program management out to bid. What we are paying is paying administrative costs. That is what we are paying for a nonprofit.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: For me, if I could envision what the goal is here and if this is what we are truly trying to accomplish, the \$25,000, then I could probably stomach that, but I guess I am seeing the disconnect. Yes, we can change and add people here, but if we are trying to get a certain amount of funds out to the community so that a service is provided and this is what it costs to provide that service, then I can understand that. I am seeing us trying to manipulate it in a way that does not make sense to me and that is what I am having an issue with. I do not want to take this away from people because I think it is important, but I guess I just need to learn more about it.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I guess I am the same way. I am feeling like there is somewhere a better-designed program that can work better and it might take some research to find out. Even monitoring against the value-added purchases, there is a way to educate all of the value-added vendors so that they just do not accept it. I think there is a lot of different ways. It just takes somebody to put their mind on it to do the research about

how other places are doing it and to come back with a better design. I hope that will happen.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: If my goal or our goal is to maintain some kind of EBT support for the farmers market, because it supports both the consumer as well as the farmers, but we are not happy with the service, can we retain these funds in the budget and then subject to the Administration figuring it out to make it more effective? So not endorsing the spending of the \$50,000 to get the \$25,000, but having it stay there and either not be spent or have them figure out a way to spend it better. Is that an option?

Committee Chair Kaneshiro: For me, it is up to the Councilmembers. If the Councilmembers feel like they want to keep it in there and tell George folks how to spend it and if that will work, I have no clue. We can cut it and they can come back with something and ask for money later on in the year, if there is a better program going on. My position is to cut it and have them come back. That is just my own position, but of course it all depends on the votes. Council Chair Rapozo.

Council Chair Rapozo: George, when you did your presentation, you mentioned that we had a contract hire that was assigned to the markets.

Committee Chair Kaneshiro: I will suspend the rules again.

There being no objections, the rules were suspended.

Mr. Costa: I am sorry...hire?

Council Chair Rapozo: No, do we not have a person right now on contract that you said monitors the sunshine markets?

Mr. Costa: Right.

Council Chair Rapozo: Is that not something that this person could do?

Mr. Costa: No, not really. This person's responsibility is to work with all of the farmers, the vendors.

Council Chair Rapozo: Okay.

Mr. Costa: Those that participate in EBT, not all of them participate...some of the farmers do not see the value, basically, to them. They rather not...whatever they are selling, they are making enough money as-is, so they do not want to participate in the EBT program. So I would say that fifty percent (50%) on the farmers, depending on what market it is, participates in the EBT program. Our market monitor's responsibility is to be there to ensure that all of the vendors are there, they report on time, ensure that all of the administrative rules of the sunshine markets are being followed, ensure that the market runs properly and closes properly; that is at the market. Then there are the reports. Each vendor turns in their financial reports. There is a lot more that takes place.

Committee Chair Kaneshiro: Do you have a question again or are we ready to vote on it?

Councilmember Yukimura: I am almost ready to vote. I just want to make a suggestion.

Committee Chair Kaneshiro: Can we make the suggestion later? We are here to just vote on this. If you have a suggestion, you can talk to him later. I want to move on this.

Councilmember Yukimura: I just have two (2) sentences.

Committee Chair Kaneshiro: Councilmember Yukimura, you are pushing it. I think you have the time to ask the questions. We have had discussions while we ask the questions and...

Councilmember Yukimura: I have a question then.

Committee Chair Kaneshiro: This amount of time could have been used for your two (2) sentences, but I do not want to continue to go down this road.

Councilmember Yukimura: Then let me just ask the question. Would you explore the possibility of an application that could really do all of the calculations through the iPhones or something? I think that is the solution. Thank you. It would be automatic accounting that way.

Mr. Costa: Can I ask a question?

Committee Chair Kaneshiro: Again, doing an application is going to cost money. We are already spending \$50,000 to implement this project. Thank you, George. I will bring the meeting back to order. Let us take a roll call vote. This is to remove the \$50,000.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to remove funding in the amount of \$50,000 from Grant-In-Aid for the Agriculture-Kaua'i EBT Program was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kualii, Rapozo, Yukimura, Kaneshiro	TOTAL – 7*,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

(*Pursuant to Rule No. 5(b) of the Rules of the Council of County of Kaua'i, Councilmember Chock and Councilmember Hooser were noted as silent, but shall be recorded as an affirmative for the motion.)

Committee Chair Kaneshiro: Any further cuts for Economic Development?

Council Chair Rapozo: Just one more.

Committee Chair Kaneshiro: Okay. Do you have a cut, Councilmember Yukimura? Okay. We are coming up on a break, so we will just take the...

Council Chair Rapozo: Let me just introduce it because it is a last minute one for me as well, so I kind of want to have that discussion. Did you pass it out already? It is to remove the...we had some discussion during the budget hearings about the special events security, the \$65,000 that we utilized to assist. I guess my concern is we have nonprofits and we have events that we do security at that these organizations have the ability to pay. They actually have the ability to afford based on what they get from the events. I am not so sure that it is right for the taxpayers to be funding these types of security. Again, if we had the money—absolutely. Now, as we are looking at these tough financial times...we spoke all year about how we have to cut the budget and cut the budget, and I am just trying to find what ways we can cut the budget and not cause a problem for our taxpayers, citizens, and visitors. This is just one that I really want to have that discussion. I may not support the cut either, but I wanted to see how the rest of you felt. It is a problem with the Sunshine Law; we do not have a chance to discuss this stuff, so it is only here. I am just thinking that as have to tighten our belts, so do the organizations as well.

Council Chair Rapozo moved to remove funding in the amount of \$65,000 for Special Events Security, seconded by Councilmember Kualii'i.

Committee Chair Kaneshiro: With that, we will take a ten (10) minute caption break and come back on this item.

There being no objections, the meeting recessed at 10:57 a.m.

The meeting reconvened at 11:08 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. There is a motion to remove funding in the amount of \$65,000 for Special Events Security. I am actually going to have to recuse myself on this one because I am on the Kōloa Plantation Days Board and I am in charge of the parade and security for that parade when they block off the roads is actually paid for by the County, I believe. Councilmember Kualii'i, I will turn it over to you.

(Committee Chair Kaneshiro relinquished chairmanship to Councilmember Kualii'i.)

(Committee Chair Kaneshiro was noted as recused and left the meeting at 11:08 a.m.)

Councilmember Kualii'i: Is there any discussion or questions?

Councilmember Yukimura: Can we have the Office of Economic Development up, please?

Councilmember Kualii'i: Can you come up?

Councilmember Kagawa: I have a process question. Committee Chair Kaneshiro announced earlier that a lot of these items were already discussed during the budget. I realize that we all may have burning questions, but I think at some point, it

becomes a matter of are you for the cut or against the cut? I think Council Chair Rapozo stated his reason and it is pretty clear. It would be better for the organizations to get money so that they will have extra money at the end, but I think it is pretty clear. I do not know if we should be wasting time on every single item and asking questions that, to me, are irrelevant.

Councilmember Kualii: Okay. Let us keep our questions to questions of any additional information you need to make a decision at this point and let us keep our answers brief. We are talking about \$65,000 and maybe that means further clarification of how that breaks down. It probably was covered in the budget. Councilmember Yukimura has a question. I will suspend the rules.

Councilmember Yukimura: Thank you. Council Chair is saying that the associations or the organizations putting on these events can handle the cost. My question to you is, is that your understanding as well? How much of a cost are we talking about per event?

There being no objections, the rules were suspended.

Mr. Costa: For the record, George Costa, Director for the Office of Economic Development. These funds basically started from a budget discussion with overtime in the Kaua'i Police Department, so it was determined that...

Councilmember Kualii: Actually, we do not need the long history. We just need the answer to how much does it cost on average per event and maybe how many events per year. So what makes up \$65,000?

Mr. Costa: Okay, let me defer that to Nalani.

Ms. Brun: Nalani Brun, Office of Economic Development. We do about fifteen (15) grants per year and that is a guess, but that is about what it is. The average is anywhere from \$1,600 to \$11,000. Our plan this year pretty much is the ones that can take some of the hit we are working on getting their numbers down so they do not get as much of the pot. There are smaller ones like Kōloa Plantation Days and the little community events, that is really who uses them. They are actually at the \$3,000 to \$4,000 level. They struggle to make their budgets work, so it is a huge help for them. Some of the other ones have a fee and they can actually incorporate additional fees to help cover that and that is where we are trying to go with the program.

Councilmember Yukimura: You said fifteen (15) organizations and what is the range again?

Ms. Brun: Anywhere from \$1,600 to about \$11,000.

Councilmember Yukimura: You say that Kōloa Plantation Days is a small one?

Ms. Brun: Yes. The larger ones are Waimea Town Celebration, the County Fair, and the Kaua'i Marathon.

Councilmember Yukimura: Okay. Thank you.

Councilmember Kualii:
said Waimea Town Celebration and...

Can you repeat the middle one you said? You

Ms. Brun:

The County Fair and the Kaua'i Marathon.

Councilmember Kualii:

The County Fair, okay.

Council Chair Rapozo:
bothers me.

How much is the Kaua'i Marathon? Now that

Ms. Brun:

About \$11,000.

Council Chair Rapozo:
had this discussion before years ago that we were not going to be funding The Kaua'i
Marathon.

They are not a nonprofit; they are for-profit. We

Ms. Brun:

They have a nonprofit arm.

Council Chair Rapozo:

The Kaua'i Marathon?

Ms. Brun:

They use a nonprofit arm.

Council Chair Rapozo:
arm, but The Kaua'i Marathon is for-profit.

Maybe they are using somebody else's nonprofit

Ms. Brun:

Right.

Council Chair Rapozo:
and I am actually upset that we are giving them \$11,000 worth of security because they
make money. That just solidifies my vote.

We have been down this road numerous times

Councilmember Kualii:
for clarification? If not, thank you. Let us take the vote. The motion is to remove funding
of \$65,000 for Special Events Security. Councilmember Kagawa.

Does anybody need any additional information

Councilmember Kagawa:

I just have some brief discussion.

Councilmember Kualii:

Sorry, I forgot.

There being no objections, the meeting was called back to order, and proceeded as
follows:

Councilmember Kagawa:
like the Waimea Town Celebration, Kōloa Plantation Days, and we can go on and on; those
are very important events for our community and for the tourist market even. We have
some recurring tourists that come specially for some of those events and we do not have the
University of Hawai'i football games, large concerts, and what have you, as other islands
do. This is a difficult one for me because how does it affect the community...where does the
additional money come from? I have some concerns about what would be the total effect on
these events. However, I think this is the year that we really need to try and tighten up the

These community events, when you name them

budget and perhaps, as was mentioned before, there would be future opportunities for you to come back during the year and proving on a case-by-case basis where there request for the amount is a solution to handling some events that are valid that are needed in order to continue to succeed. That would be my advice. I would be supporting the cut therefore, but we need four (4) votes and we are missing one (1). Thank you.

Councilmember Kualii: Further discussion? Councilmember Yukimura.

Councilmember Yukimura: I am not going to vote for the full cut. I do not mind doing some kind of a transition so that, as Nalani has indicated, trying to wean people or originations that can pay for it. I would like to do it that way. If the cut does not get four (4) votes, then I will look at proposing half or maybe three-quarters to leave there.

Councilmember Kualii: Any other Councilmembers? Councilmember Hooser.

Councilmember Hooser: We cut climate change, took away the money destined for the swimming pool for the high school swim meets, and farmers markets. It seems like we are literally cutting the low-hanging fruit or the weakest and the most vulnerable community-based funding. I have not seen any and I am hoping that we will see some that actually go after some of the more hard costs that the County has embedded into it. I am having a hard time cutting community support, quite frankly. These people that do these events are mostly volunteers. They work really, really hard. They put in their own money, I am sure, and their own hours and they bring tremendous benefits to our community, Kōloa Plantation Days is one of them. I am not going to be supporting this. I think the County needs to step up and continue supporting these programs and we should shift our pen, pencil, or scissors to other areas of the budget and not focus on the community-based programs. Thank you.

Councilmember Kualii: Council Chair Rapozo.

Council Chair Rapozo: I do not have a problem supporting the events that, like I think Councilmember Kagawa talked about, but this does not give the Council any ability to choose. I would not support the \$11,000 for the Kaua'i Marathon because they make money. Some of these other community events I do not have a problem with and I would suggest that we do it the way Councilmember Kagawa recommended that we can keep the line item or one dollar (\$1) in there or whatever it is, or set a proviso that all of these moneys would require Council approval on case-by-case basis. What else? It is up to you folks. It seems like just me making the cuts and everybody has the ability to cut the hard cuts, as Councilmember Hooser talked about. I am trying my best and I do not hear anybody else. What are we going to cut? Are we going to cut positions? That is what Councilmember Hooser is asking. I am going after the things that I do not believe are necessities right now, that the taxpayers should not pay. Do I agree that Kōloa Plantation Days and all of these community celebrations should get the County's help—absolutely. Fifteen (15) grants? I guess I should ask (inaudible)...I do not know as I am going through the budget and trying to figure how we are going to pay our bills and pave our roads without raising taxes, and this is the only way I know how. I apologize if it seems like I am cutting out the weak and the...it is not the case. Where are we going to cut? Where are we going to reduce the spending? Anybody else has to same opportunities to cut and I have not heard many. Let us go. I do not know how else to make the ends meet. If anybody has a better solution...to me...I do not know...proviso...we will probably be told that we cannot do

that because that is crossing the separation and we cannot tell them what to do. Fine, cut it and when you need the money, you come to us and ask for the money and we will approve it, based on the Council's decision of whether or not they want to fund that particular event.

Councilmember Kualii: Anybody else? Vice Chair.

Councilmember Kagawa: I did not think about what you mentioned about putting something in for the current year. I was thinking that they could just come up with a money bill and we process money bills in two (2) months. If you really think it is valid and we rely on you, George, as the head to determine that of which ones are ultimately necessary. I know it is a little humbug, but we are (inaudible) for money and I think we are trying to do our best. Thank you, Chair.

Councilmember Kualii: If there is interest and support for this to be one dollar (\$1), would we want to amend the funding reduction to \$64,999 or will be an add later. No? Okay. We will just vote on this as-is. Roll call to remove funding.

The motion to remove funding in the amount of \$65,000 for Special Events Security was then put, and carried by the following vote:

FOR MOTION:	Chock, Kagawa, Kualii, Rapozo,	TOTAL – 4,
AGAINST MOTION:	Hooser, Yukimura	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	Kaneshiro	TOTAL – 1.

Councilmember Kualii: Thank you. Can we get Committee Chair Kaneshiro back? Where are we at? Any more for Economic Development? No more cut proposals for Economic Development. Committee Chair, back to you.

(Committee Chair Kaneshiro was noted as back in the meeting at 11:21 a.m.)

(Councilmember Kualii relinquished chairmanship back to Committee Chair Kaneshiro.)

Committee Chair Kaneshiro: Jade, can we move on?

Ms. Fountain-Tanigawa: The next one would be the Kaua'i Police Department.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I have a cut as circulated. My original proposal...I mentioned \$500,000 from Police and Fire, but I decided that a twenty percent (20%) cutting of overtime would be perhaps too difficult to get four (4) votes, so I am proposing a ten percent (10%) reduction in all overtime and premium pay accounts. I feel like what really brought a lot of concerns from the public and opened up a lot of eyes was when we had the Administration request increases for department heads. In that time, Janine had provided to me, at my request, the top-25 paid Police and Fire personnel and that really stirred up a lot of complaints and criticism from the public that perhaps we are not keeping our eyes enough on the pay of our officers and firefighters. One of the glaring ones was where the top police officer was paid \$177,000, \$30,000 of which was overtime.

One could say, "Well, what does ten percent (10%) mean to that person?" So instead of \$177,000, ten percent (10%) of overtime would be a mere...

Committee Chair Kaneshiro: Sorry, Councilmember Kagawa, but I need a motion and a second first.

Councilmember Kagawa moved for a ten percent (10%) reduction in Regular Overtime, Training Overtime, and Premium Pay, seconded by Councilmember Kualii.

Committee Chair Kaneshiro: Thank you.

Councilmember Kagawa: So out of \$30,000 overtime for that top cop, he would make \$27,000 in overtime instead, which would still make his pay \$174,000 a year. It is just one example and if you prorate it to every single officer, we are just talking about a ten percent (10%) reduction in overtime. I just wanted to mention that this is not a Kaua'i problem; I received many concerns during the Hawai'i State Association of Counties (HSAC) meetings from our City and County counterparts, Maui County counterparts, and Hawai'i island counterparts about what are we going to do with the police and fire budgets that have really made it difficult for us as we go forward and we were talking about not having moneys to pave roads and raising the GET. I just thought that this was a reasonable amount that I would propose to the Council that shows that we hear what the public is saying and we are trying to take a small step to try and get management to try and control some of the overtime that possibly could be avoided or may seem unnecessary, such as giving overtime for cell duty, events, or what have you, and instead putting lower-paid officers on those type of jobs. It is not to say that I do not appreciate the work of KPD and the Fire Department. They have both already made cuts, but you are the biggest budgets and if we are going to make a concerted effort to try and streamline government and spend the most efficiently, that is the only way to back up your talk, to look into the biggest budgets and try and make a concerted effort to try and control the highest line item. We cannot touch salaries. Again, it is just all in relation. We saw various examples. I think we saw one officer above the \$90,000 range making about \$60,000 in overtime. Again, that is a total of \$150,000 and if you take ten percent (10%) of \$60,000, you are talking only about \$6,000 less, so he will still make a lot of money. Again, we will see if we have four (4) votes. I think this is a slam-dunk and an aggressive cut, but not as aggressive as the twenty percent (20%) that I first proposed. With that, we will see how the votes fall. Thank you.

Committee Chair Kaneshiro: Discussion?

Council Chair Rapozo: I had a question for Councilmember Kagawa. Is the premium pay not controlled, governed, or required by the contract? I think premium is the benefits under the collective bargaining contract? That is what I am thinking. I am not sure.

Councilmember Kagawa: Well, I think if things are...

Council Chair Rapozo: Like the nightshift?

Councilmember Kagawa: My response to that is if we have items that were listed not in salaries or any type of item that looks like overtime, it should be joined

together in the future from the Finance Department because I do not think we should be separating something that is guaranteed versus something that is at the discretion of management to approve.

Council Chair Rapozo: I believe the premium pay...like the holiday, the night differential, the hazardous, all of those different entitlements that come with the contract.

Councilmember Kagawa: I understand.

Council Chair Rapozo: I am not sure if we could do that, but I do not know. It is just what I recall. I could be entirely wrong.

Councilmember Yukimura: Can we just verify?

Councilmember Kagawa: We can verify. I just have one last comment. I think we all know that everybody in government is doing a little more with less, and I will just give you an example—for example, the Department of Education (DOE)—our class sizes have grown. We used to have twenty-five (25) students and now we have thirty-two (32) students and we do not get paid any more. If we do not like that we are getting the same amount of pay with five (5) students more in our class, then we have an option to resign. “Next man up,” like Bill Belichick says. It is the same thing with a person making one hundred seventy-seven thousand dollars (\$177,000); if you are going to make one hundred seventy-four thousand dollars (\$174,000) and you are not happy, then “next man up.” I think we have to try to control what we can. At some point, one could say that salaries have become excessive and what are we going to do about it? Are we just going to sit here and watch or are we going to try and control it a little bit? I think ten percent (10%) is a little bit. Thank you.

Committee Chair Kaneshiro: We will suspend the rules. Any questions for the Chief? Councilmember Yukimura.

Councilmember Yukimura: Good morning, Chief. I just wanted to confirm the assertion from our Chair that premium pay is nondiscretionary.

There being no objections, the rules were suspended.

DARRYL D. PERRY, Chief of Police: Darryl Perry, Chief of Police. Yes. In a nutshell, there is a list of the payments to our officers for differential pay. It is contractual by collective bargaining agreement, and those are set and we have no discretion over it, whether or not to provide them with those payments, such as night differential, hazardous pay, and the like.

Councilmember Yukimura: Do you know whether there was in this, or in past budgets, lapses in this line item, such that you did not spend the full amount during the year?

Chief Perry: I am not aware of that.

Councilmember Yukimura: Do we know? Does the introducer of the motion know?

Councilmember Kagawa: What I do know is that excess moneys in different accounts can be transferred to cover, should...like I am giving a hypothetical example: say his premium pay is short as they go throughout the year, and they have excess money in something else, like they decided to cut some travel. Then I believe those moneys could be transferred to fill that gap. Then that is why I went with a mere ten percent (10%). If I went with twenty percent (20%), I think it would be difficult to get four (4) votes because I can count. I know who supports police a lot. With ten percent (10%), I thought that maybe we had a chance to try and take this bold step.

Councilmember Yukimura: My question though was whether there was leftover money in this account, not whether there was...

Councilmember Kagawa: There was a lapse last year in the Police budget and I believe it was about \$600,000, but my memory is not an elephant.

Councilmember Yukimura: Of the total categories?

Councilmember Kagawa: No, I am talking about a lapse in the whole Police budget. It was about \$600,000, I believe. So if you minus \$600,000, minus the total of these, we are still a little bit above.

Councilmember Yukimura: Thank you.

Councilmember Kagawa: Thank you.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I am most interested in the tangible impacts that these proposed cuts would have on public safety, basically. Will there be tangible impacts?

Chief Perry: Yes. We have cut our overtime over the last few years and I do not have the number off the top of my head. I would believe it is in excess of \$1,000,000. The needs for our police services have been escalating and we have not...we have gone over this before with the Council about not expanding our beats and not expanding the sworn personnel. As the expectations and the needs rise, we are a 24/7 organization. There is one of two things that will happen. One is that we will not be providing the services that are necessary via overtime. We are working as best as we can to be as efficient as we can. The other is that we will go ahead and provide those necessary services and come back to the Council for a money bill, unless there are other options available to us. What we are doing right now, and I want you folks to know, is that we are doing an independent workload study to see how we can improve on providing services, but my gut feeling is that they will come back and say that we are deficient in staffing and we will not be able to provide the necessary services that this County needs and deserves. I am not sure if I answered your question, but there will be an impact.

Councilmember Hooser: Yes, you did in the beginning. You said that services will suffer.

Chief Perry: Yes.

Councilmember Hooser: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Just a quick question, Chief. So you said you have cut your overtime budget by over \$1,000,000, but that is over what period of time?

Chief Perry: I believe over the past two (2) or three (3) years.

Councilmember Kualii: Two (2) or three (3) years?

Chief Perry: Yes.

Councilmember Kualii: As far as the overtime line item from last year to this new year, the newly proposed, is there any additional cuts? What is the differential there? Is it a small increase or a small cut? Same?

Chief Perry: No, we decreased again, but I do not have the numbers. My apologies.

Councilmember Kualii: Okay, I will check that. When you said that you would not be able to provide the necessary services with this overtime, we are talking about a ten percent (10%) reduction, so there would be a ten percent (10%) reduction to the necessary services and what do you include under "necessary services?"

Chief Perry: Just the basic services like responding to cases, taking reports, working on events that we are not budgeted for, special investigations that need to be conducted, and emergencies such as the tsunami warnings and the rest.

Councilmember Kualii: The last thing you said was about an independent workload study.

Chief Perry: Yes.

Councilmember Kualii: When did that start? Is it ongoing? When will it be finished?

Chief Perry: It has not started yet. We are in the process of procuring the vendor, but we expect it to begin by either early this year or the beginning of next year.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions for the Chief? Seeing none, thank you, Chief.

Chief Perry: Thank you.

Committee Chair Kaneshiro: I will bring the meeting back to order. Any discussion? Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: I just wanted to report, and thanks to our staff, that the Period 12 Reports showed that the premium pay lapsed \$79,601, almost \$80,000 lapsed in the premium pay. Again, it is at management discretion. There could be an excess in there if they just ran as normal. Under normal operations, they ran and had a lapse of almost \$80,000 last year and now that I have proposed this ten percent (10%), we are just trying to see if they can squeeze a little bit more out of the men using better management decisions, as far as dictating how we are going to cover overtime in the most cost-efficient manner.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: We are in discussion now, right? My basic comment is thank you, Vice Chair. I appreciate this proposal. I do think that it is about everybody doing a little bit more and doing what we can in small ways and that there is some management discretion over scheduling and making assignments. Some of the examples you gave, I think, we can do better. It is a small difference and I think we can do it.

Councilmember Yukimura: I have a question of the introducer.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: In the lapse, it was \$79,000, and Vice Chair, you are proposing to take \$170,000 effectively, so that is quite a big cut. What about the other areas like the Regular Overtime and the Training Overtime? What were the lapses in those cases? Do you know?

Councilmember Kagawa: Not right now.

Councilmember Yukimura: Okay. My thinking is that I am a little uncomfortable because we are taking more than what lapsed.

Councilmember Kagawa: So we have the lapse. For the regular overtime, we lapsed \$94,594 and for the training we lapsed \$21,763. You just mentioned that you feel kind of uncomfortable—do you think that I do not feel uncomfortable? It is hard for any of us to touch our most important function, but there comes a point in time when we try and put a lid before we come up like San Jose and we have to issue pink slips, like they did. They issued fifty-one (51) pink slips to firefighters in San Jose and I just wanted to see if we can squeeze a little bit out of everybody and see if we can just continue without any pink slips or even any thought of pink slips. Thank you.

Councilmember Kualii: I just want to add one more point of information because you did say there was a \$600,000 lapse in the entire department, but it is actually a \$1,800,000 in the entire department, so there is plenty of room to cover this \$390,000 overtime adjustment amount, so a \$1,800,000 lapse in the entire Police Department budget.

Councilmember Kagawa: I think I got it wrong. Maybe the firemen lapsed at \$600,000, so thank you, Councilmember Kualii.

Committee Chair Kaneshiro: Further comments or discussion?

Councilmember Kualii: As far as further discussion, I was happy to see that in his exact line items that there was such significant amounts because that actually makes the amounts needed to come from other places within the department less than half probably of what you are asking the proposed cut to be. Thank you.

Committee Chair Kaneshiro: Further discussion from the Members? Council Chair Rapozo.

Council Chair Rapozo: My concern is with the collective bargaining increases going forward, that is going to really alter the amount of overtime because the overtime is based on the new wages. I am concerned that this does not cover the lapse, and I understand there is over \$1,000,000 in lapse last year, but what is it going to be this year because of the increase in salaries? The reality is what the Chief said, that all he has to do is come back and get a money bill if he needs it, but it is just concerning. The bigger concern I have is the premium pay cut because it is nondiscretionary that we need to pay. I am not sure if the consensus is at the \$1,600,000 or \$1,800,000 will cover everything. I do not know that because I have not done the numbers. I do not know what the estimation is, but I am really concerned when we start cutting out the public safety. Councilmember Kagawa, you are right though; somebody has to be the bad guy. I do not know how else to do this. I would much rather have seen a countywide cut; everybody cut overtime, travel, and the discretionary funding. That still can happen at some point before the end of this discussion.

Councilmember Kagawa: I think no other department has that size of overtime. There are some really high-paid Public Works EM-07s and such that make a lot of money, but the only department that has the large overtime is Police and Fire. I feel like management-wise, that is one area that there are reasonable adjustments that can be made without impacting the public and I feel like ten percent (10%) is not that great and I still feel that officers will get paid well. That is my justification. Up or down, I think we will move on.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: The last point as part of this discussion is that any increases in the contractual salaries are anticipated and budgeted, so that is not part of our consideration here. It is budgeted for.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I appreciate all of the discussion. I prefer Vice Chair's method than an across-the-board cut that was tried last budget or the budget before because it really hurts the small departments, which do not have that much of a buffer. I prefer where there is a bigger buffer. I was thinking I would prefer a slightly smaller cut, but Councilmember Kualii are persuasive that there is a pretty big buffer of \$1,800,000, so I will find out how I am going to vote when I vote.

Committee Chair Kaneshiro: Any further discussion from the Members? Councilmember Hooser.

Councilmember Hooser: I appreciate the attempt at creating savings and I know it is hard to be the bad guy and I have some bad guy ones on my list, too, later on in the budget. I appreciate the fact that there were excess funds in the last budget. I am troubled because the Chief clearly said services would suffer and I think moving forward, public safety is the number one priority for this County and we are only going to have more people and more demands on our Police Department, so I am having a real difficult time supporting cutting public safety.

Committee Chair Kaneshiro: Further discussion? Councilmember Chock.

Councilmember Chock: I am trying to support as many cuts that make sense to me as possible, especially in light of our recent conversations on how it is we intend to address the \$100,000,000 road backlog. I have looked at everything more from that perspective and will continue to do so in this case.

Committee Chair Kaneshiro: Any further discussion? I guess I am the last one. I guess you could say that I am torn on this because we are looking at two (2) different methods of how we should do budgeting. We allow them to budget what they have and we go through the year and let it lapse or do we force the cuts, take the lapse, and hopefully we do not spend this money? We can do this cut, and again, the Chief can always come back in with a money bill and ask for the money. I think throughout the year we have seen a lot of transfers and we have seen the Police Department come in for a lot of money on unspent budgeted items. I think we had the cars come in at \$800,000, if we remember, not too long ago. So there is probably some flexibility in budget. Last year, I think we went with the methodology of "leave the budget and let it lapse." We saw some aggressive cuts last year that we did not support. This year, the cuts are a little less aggressive. I think it might be a little more manageable. Again, they always have the option of coming back in with a money bill and you take into consideration how much has lapsed each year, how many transfers go on within the year, and how many asks come in on things that they want to buy with money that they have not spent? I will be supporting this cut. Council Chair Rapozo.

Council Chair Rapozo: I did not keep track of the votes, but I guess I would be open to...I will not be supporting the \$390,000, but I would be open to a five percent (5%) cut off of the Regular and Training Overtime and leaving the Premium Pay as an option. I think that is something that the department can absorb. It equates to, if my calculator is correct, a cut of \$182,305. If for some reason the votes are not there for the \$390,000, then I would be proposing the \$182,305 amount.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: If you are looking for a unanimous vote, I would support the direction the Chair is going.

Councilmember Kagawa moved to withdraw his motion for a ten percent (10%) reduction in Regular Overtime, Training Overtime, and Premium Pay, Councilmember Kualii withdrew his second.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I want to make a new motion to reduce Regular Overtime and Training Overtime by five percent (5%). Sorry, staff. I should have had that prepared.

Council Chair Rapozo: Can we take a recess?

Committee Chair Kaneshiro: Let us take a quick recess.

There being no objections, the meeting recessed at 11:47 a.m.

The meeting reconvened at 11:49 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. That one was off of the table. We have a new motion.

Councilmember Kagawa moved to reduce Regular Overtime and Training Overtime by five percent (5%), seconded by Councilmember Kuali'i.

Committee Chair Kaneshiro: Any discussion? If not, let us take a roll call vote.

The motion to reduce Regular Overtime and Training Overtime by five percent (5%) was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kuali'i, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Any further cuts for Police? Councilmember Yukimura.

Councilmember Yukimura: There is no real money involved here, but I want to propose to cut the three (3) School Crossing Guards that are not filled. My rationale is that they are not likely to be filled and they are more likely to be reallocated into some positions and I prefer if the Police would come back to get those positions to explain to us their rationale.

Councilmember Yukimura moved to eliminate Position Nos. 1304, 1306, and 1308 (School Crossing Guards), seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: That is basically it. I am concerned at all of the reallocations that are being done without Council approval and I know there have been some very creative ones that I do support, but I feel it is a better budgetary process for the Police to come back. This does not affect any existing warm bodies and it is positions that have been empty for a long time. As we all know, positions are long-time expenditures when we do create them, so I feel like the process should be that the departments come to

us to ask for them in whatever format they really want to have them and with the costs that are clear.

Committee Chair Kaneshiro: Do we have questions for the Chief? I just want to say that the Police have a very comprehensive plan on what they are going to do with these positions to help reduce overtime and they were very transparent with their plan also, as far as what they wanted to do. We were all here for that presentation. Councilmember Yukimura.

Councilmember Yukimura: It is not my understanding that these are the positions they are going to reallocate. I thought they were already in the budget reallocated. If I am mistaken, I will withdraw my motion, but I think the traffic safety monitors are already in there. That is on page 74.

Committee Chair Kaneshiro: Okay. Let me suspend the rules and ask the Chief the question. Chief, I guess from my understanding, we are going move the School Crossing Guards to another position and keep the existing three (3) School Crossing Guards? Can you just tell us how this would affect that plan? You came in with a whole plan on how you were going to transition people in and hopefully reduce overtime at the cellblock and you had a whole plan, so will affect it or not?

There being no objections, the rules were suspended.

Chief Perry: Chief of Police, Darryl Perry. Yes, we presented the entire plan before the Council. We did have, I believe, some positions left over. Because we have not increased our staffing within the Kaua'i Police Department for twenty (20) plus years, in spite of that, we have been moving forward with accreditation and the rest. Councilmember Yukimura, you are absolutely right; we will be using those positions in the future to help our department with the accreditation process with our Office of Professional Standards and other areas where we are deficient at this point. We have not come before the Council to request the reallocation of those positions, but those are the plans because of us not being able to increase our staffing. So we have those positions in reserve and those are the plans. If you remove those positions, then we will be back to square one and we will have to come forward again for new positions.

Committee Chair Kaneshiro: I think I was getting confused between the two (2) things you were trying to do. So these positions are the positions where you were going to hire a full-time trainer so that we would not...

Chief Perry: Yes, those positions are the ones that we were going to use. I believe there were three (3) other positions that were available that we did not reallocate, that we were not planning on using, but those were positions that we were going to be using in future when we become accredited. I do not have it with me and I should have brought it with me, but those are the ones for the trainers. Right now, we are expending a tremendous amount of overtime for our trainers because we do not have a training cadre within the department.

Councilmember Yukimura: But you have two (2) Training Officers, Positions Nos. 1309 and 1310, and I commend that idea that you would have permanent Training Officers, rather than pulling men off the line and incurring all the overtime and all the dislocation to the regular course of the action. That is well-done, but they are already

provided for in these positions. So basically, if you are having a major shift in your personnel in terms of positions through accreditation, I think the best process is for them to come forward with the request.

Committee Chair Kaneshiro: Any further questions for the Chief?

Council Chair Rapozo: I have a question, but it is unrelated, but I can ask him later. Thank you.

Committee Chair Kaneshiro: Any further questions for the Chief? Let me get clarity again that eliminating these three (3) dollar-funded positions will do what again? How will it affect you folks?

Chief Perry: We have future plans for that in regards to accreditation and our Office of Professional Standards and we are falling behind the eight-ball right now in getting the accreditation process going. Without the position in that area, we will be in trouble. In fact, we looked at August for our accreditation, but right at this point with the backlog of our policies and procedures, I am not sure if we will be able to meet those requirements. If we do not have an accreditation manager in place, it may further set us back. That is how we were planning on using those positions.

Council Chair Rapozo: Now I have a related question.

Committee Chair Kaneshiro: Okay. Council Chair Rapozo.

Council Chair Rapozo: It was unrelated until you mentioned the accreditation officer. What is the status with that attorney that you were supposed to get that we funded?

Chief Perry: We are working with the County Attorney's Office...

Council Chair Rapozo: How far away are we to getting somebody in place?

Chief Perry: I would have to defer it to the County Attorney's Office. They have taken the lead on that, but we are working with them.

Council Chair Rapozo: I will ask him offline. That is another position that we can cut some of the funding because they are not going to be a full year, it does not seem like we will have anybody in place. I will check with Mauna Kea on the break.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Accreditation help with policies and stuff was one of the roles of that attorney position, too, I believe. Was it not?

Chief Perry: Yes, but accreditation is more than just getting policies and procedures. It is a whole gamut of issues concerning reaccreditation and all of the rest and keeping up with what is going on nationally.

Councilmember Yukimura: Right. I think we need a full vetting of any new position that is being proposed and I think that is the best process and procedure. Thank you.

Committee Chair Kaneshiro: Any further questions for the Chief?
Councilmember Kualii'i.

Councilmember Kualii'i: You talked about moving as quickly as August and that there being an urgent need, if you will. If that was the case, why is it not in the budget? Why is it a position for one dollar (\$1) that in just a couple of months into the year, you will have to transfer money and create a position? Is it in the works already with Human Resources?

Chief Perry: No, it is not. We did not want to put too much in this budget because we understand the fiscal situation of the County, so we were trying to be as fiscally responsible as possible and not overburden this Council with our plans. We could have done that, but we did not. We were looking at the future.

Councilmember Kualii'i: Would you not agree that perhaps being fiscally responsible is being truthful about what the need is, when you need it, and when it is going to happen so that we can consider that, so that we are part of the decision? Because otherwise, as Councilmember Yukimura was saying, it becomes something that happens, and maybe it is a little bit faster, but I want the Council to be involved in the decision-making to support you when you justify what you need and what you are working on.

Chief Perry: There is no deception on our part. Our plans within the department are to grow this department and to have a strategic plan in the future. If we came to the Council with every plan that we have, we will be bogging you folks down because we have plans in the next ten (10) to fifteen (15) years. It is not about being truthful. It is about being reasonable about presenting the issues to you. Frankly, I am not sure if the Council really understands the entire network that goes within the Police Department.

Councilmember Kualii'i: I would disagree that we do not want every plan; we do want the plans that require budgeting within the budget here.

Chief Perry: All of our plans, with respect to what you are saying, relates to the budget. Everything that we do relates to the budget.

Councilmember Kualii'i: We are only looking at one dollar (\$1).

Committee Chair Kaneshiro: Any further questions for the Chief? If not, thank you, Chief.

Chief Perry: Thank you.

Committee Chair Kaneshiro: I will call the meeting back to order. Any further discussion on this item? Councilmember Kualii'i.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kualii: I appreciate Councilmember Yukimura's proposal. I do think it is important to help the Administration along and push a little harder and a little further in the direction of dealing with dollar-funded positions and vacant positions. Later with justification, they can come back to us and we can decide to create and support in that manner. I appreciate the direction that we are moving in. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I just want to make a comment. When the Chief became the Chief, I met with the Chief and I did not know him at the time that well and asked him one of the things that he could consider would be a beat expansion plan over the year. I do not know if you remember that, Chief. We had that discussion. After a period, he called me into this office and explained his elaborate plan on how he was going to expand the beats on Kaua'i to bring us up to a standard where most departments are at. He has not been given the support as far as the County, for whatever reason, excuses of no money. As I look at some of the budgeted items in all of these departments and the number of positions in some departments, and it is really awkward that you would have...if you think about it in this way, you have more people working in an office or in one division than police officers running the beat on the island...ten (10) beat cops. That has not grown for a long, long time and yet we hear all the complaints of, "Why did it take so long for the officer to respond?" It just makes no sense. Now the Chief is asking to at least be left with some dollar-funded positions so that if the need arises, he does not have to go through the rigmarole and get drilled and have to explain. If it is a permanent position, I can see that. But things happen. We see these dollar-funded positions. I am no fan of that and I do not like when dollar-funded positions are being used unnecessarily or for reasons that are not important, but for the department, I want to see that department expand. I want to see the day we have fifteen (15) or twenty (20) beats on the island so that everybody can get a response time that they can be happy with. I do not see that happening not with this budget, not the way we budget. Until we start generating a lot more revenue, it is just not going to happen. It is very expensive. But the Chief has done an excellent job with what he has. It is just ten (10) or eleven (11) people running the beat and a few sergeants on the road. It is frustrating because I want to see that department expand. I am not going to support a cut of dollar-funded positions that you may have to use. Chief, I would appreciate it and I do not have a doubt that you would let us know when your plans change and you are going to be utilizing the positions, but to take away that opportunity from a department who is already getting a hard time to expand, which they should—I would ask that we seriously consider allowing those positions to remain. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: There are still three (3) positions that are dollar-funded, background investigator positions. Really, this is about the budget process. When there are major changes in personnel, whether it is expanding a beat or not, that should be vetted not only before the Council, but before the public, and that does not happen when reallocations occur; and when they occur, they are huge budgetary allocations or obligations. If we allow that kind of budgeting to happen on a regular basis, that is when we get these budgets that are out of control and are far more expensive than we are

consciously and deliberately deciding on. It is just a matter of proper budget process, I believe.

Committee Chair Kaneshiro: Any further comments from the Members?
Councilmember Kagawa.

Councilmember Kagawa: I am kind of torn on this a little bit because I really feel like School Crossing Guards and making sure that the children reach school safely is a DOE function, I believe, and it has historically been picked up by the counties. Here you see the State Legislature come out with their article saying that they funded \$141,000,000 CIP projects for Kaua'i, and functions like having guidance for the children to get to school safely is supposed to be covered by the counties? Again, if we do not do it, nobody will. It is kind of tough. I will support keeping it in and try to work on the next legislature and hopefully have some new faces that we can work with. Thank you, Chair.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I wholeheartedly agree with Councilmember Yukimura, this is about the budget process. For me, I have to be consistent in saying that when it does happen, they should come back to us. It will be a different position for a different purpose, obviously with a different salary. I actually have the next proposal, which kind of lumps some of these positions together. So I will continue to support this.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I just want to say that the School Crossing Guards have been empty for years, to the extent that the Police Department is using them for other purposes. If there was a warm body there, I would not remove it, but it is not doing any good at this point, where it is.

Committee Chair Kaneshiro: Any further discussion? I am kind of under the same impression as far as these dollar-funded positions. If the need is there then come to us and ask for it. This whole accreditation process—what does it get us? What benefits do we have from it? I think we will have a whole presentation on that when these positions come back up if they really need it. I will probably be supporting this. Any further questions? Any further comments or discussion? Can I get a roll call vote, please?

The motion to eliminate Position Nos. 1304, 1306, and 1308 (School Crossing Guards) was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kualii, Yukimura,	
	Kaneshiro	TOTAL – 6,
AGAINST MOTION:	Rapoza	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Any further cuts for Police? Councilmember Kualii.

Councilmember Kualii: My proposal was a broad-stroke that in the end, it came up with just positions in the Police Department, including one of these School

Crossing Guard positions that we have taken out. Basically, the motion is to eliminate General Fund vacant positions and related benefits, which have remained vacant for greater than six hundred fifty (650) days excluding Traffic Safety Monitor positions. Those positions include 1301, 1305, 1307, which are all Background Investigators; 1309, Training Officer; 1310, Training Officer. As far as the length of vacancy, 1301, Background Investigator, was vacant for nine hundred forty-nine (949) days and the others were all vacant for nearly three thousand (3,000) days.

Council Chair Rapozo: How many days?

Councilmember Kualii: Three thousand (3,000)—two thousand nine hundred fifty-two (2,952) and two thousand six hundred six (2,606), so we are talking a long time, four (4) to five (5) years.

Committee Chair Kaneshiro: I need a motion and a second.

Councilmember Kualii moved to eliminate General Fund vacant positions and related benefits, which have remained vacant for greater than six hundred fifty (650) days excluding Traffic Safety Monitor positions, seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: Councilmember Kualii, you may continue.

Councilmember Kualii: I pretty much said everything.

Committee Chair Kaneshiro: Okay. Any questions for the Administration?
Councilmember Yukimura. I will suspend the rules.

Councilmember Yukimura: I think we should give the Police a chance to explain.

Committee Chair Kaneshiro: I have a question, too, and where these positions are at, if they are in the hiring process.

There being no objections, the rules were suspended.

Chief Perry: Chief of Police, Darryl Perry. I will need the assistance of HR, too, to go over those positions.

Council Chair Rapozo: Can I ask the Chief a real quick question?

Committee Chair Kaneshiro: Yes.

Council Chair Rapozo: Do you not have Background Investigators right now working?

Chief Perry: Yes, and they are helping us to fill out positions because if you do not fill out positions, then we will lose our Community-Oriented Policing Services (COPS) grant.

Council Chair Rapozo: How many Background Investigators do you have?

Chief Perry: Right now, I believe we have three (3) or four (4).

Council Chair Rapozo: How many Background Investigator positions do you have?

Chief Perry: I will have to check.

Council Chair Rapozo: I was under the impression that these positions were already filled, but this sheet is telling me that it has been vacant for over two thousand (2,000) days.

Chief Perry: It does not appear to be accurate.

Council Chair Rapozo: Maybe HR can help.

Committee Chair Kaneshiro: Do you want the position numbers? What would be the easiest?

Council Chair Rapozo: Can you give her a sheet?

JILL NIITANI, Human Resources Manager II: Jill Niitani, HR Manager. My understanding...I am not one hundred percent (100%) sure, but for the Background Investigators, we have been filling that with eighty-nine (89) day contract hires, so I think there was some difficulty in filling those positions on a permanent basis. That is our understanding with that.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Let us start with Position No. 1301, which is a Background Investigator, which is dollar-funded. So those three (3) Background Investigators were re-described from the School Crossing Guard, correct?

Ms. Niitani: Yes.

Council Chair Rapozo: So those positions are not vacant?

Chief Perry: They are not vacant.

Council Chair Rapozo: Right, but the Vacancy Report is showing, and this is as of April 30, 2016, it is showing that these positions have been vacant for a long, long time.

Chief Perry: One of the reasons why we have used the eighty-nine (89) day contract hire is because it does not include the benefits if you hire somebody permanently. If the Background Investigator did not provide the services that were required that we requested, then we could let them go and go after another investigator.

Council Chair Rapozo: Chief, my question is right now going forward, the budget line item is only one dollar (\$1), so that is why Councilmember Kualii is considering removing it, but how are those Background Investigators being paid? Should that not be in the budget?

Chief Perry: We are using the vacant School Crossing Guard positions for the eighty-nine (89) day contract hires.

Council Chair Rapozo: Okay, so...

Chief Perry: Can we get back to you on this? There appears to be a glitch here.

Council Chair Rapozo: Well, I know for a fact that those positions have not been vacant for two thousand nine hundred (2,900) days.

Chief Perry: That is why I do not see why it is reflected here, so there is a problem.

Council Chair Rapozo: So you need those Background Investigator positions, right?

Chief Perry: Without them, we will not be able to fill our positions.

Council Chair Rapozo: Right, but yet the budget is reflecting a one dollar (\$1) salary or pay. Even if it is an eighty-nine (89) day contract, we must show a figure in that line. I do not know if somebody from Finance or something can explain. We are coming up on a lunch break, so maybe you folks can investigate it during lunch, because that is not right because I do not think they are working for one dollar (\$1) a year.

Chief Perry: No, not at all. My apologies for not having the information right now, but we will get it for you.

Committee Chair Kaneshiro: While you are up here, the Training Officer positions, do you have warm bodies for that? Where are you in the process for those? Position Nos. 1309 and 1310.

Councilmember Kualii: That is where they are funding it probably.

Chief Perry: What was your question again?

Committee Chair Kaneshiro: Are the Training Officer positions that are vacant still vacant or are we in the process of hiring?

Chief Perry: No, we are in the process of hiring and putting people in those positions.

Committee Chair Kaneshiro: Both of those positions?

Chief Perry: Yes.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Are those not the two (2) permanent Training Officers that we were going to replace all of the rotating instructors from your rank and file? I remember it being described as a very well-thought out decision. If they are those positions that were presented in the budget hearings, then they are very well-needed, I think. Maybe during lunch you could find out if they are that new training initiative that they told us about.

Chief Perry: Yes, we will find out. This does not coincide with my understanding of what we have right now, and again, my apologies. We will get this squared away after the break.

Committee Chair Kaneshiro: Okay. Any final comments? We will take an early lunch today. Councilmember Kualii.

Councilmember Kualii: I am just saying that these are the facts provided from Human Resources by proviso in our Vacancy Reports, so there is no other way to read it other than how it was provided to us. If it is different, we need some other kind of explanation or report, but the budget shows one dollar (\$1) for those three (3) positions and it shows \$75,570 dollars for each of the other two (2) positions, which is called "Training Officer." Those two (2) positions are showing vacant for eight (8) years. If they were budgeted at \$75,000 for eight (8) years, that is \$1,200,000 and maybe that is the money that was moved around and spent on other places, but we need to know. Thank you.

Committee Chair Kaneshiro: Ernie, do you have an answer for these questions?

ERNEST W. BARREIRA, Assistant Chief Procurement Officer/Budget Chief:
Ernie Barreira, Budget and Purchasing Chief. We will validate as the Committee Chair has requested, but the positions that are being identified, an asterisk in your budget worksheet, is basically being proposed and is not yet approved is proposed in the upcoming budget. We cannot do anything unless that approved. The proposal is to take those positions that, Councilmember Kualii is correct, perhaps have been vacant for that long, and to re-describe them in the current budget for a purpose that was stated within the budget presentations to create those two (2) full-time training officers, which will have a corresponding impact and a significant savings on overtime for the Police Department.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: If you could provide for us, over the next hour and ten (10) minutes, a little chart that shows which position came from which? Now, I am really starting to see the concern about these dollar-funded positions because I cannot understand this. These positions were already re-described, correct?

Mr. Barreira: Yes.

Council Chair Rapozo: That is done?

Mr. Barreira: They are proposed as part of this budget, an initiative that is being submitted to you.

Council Chair Rapozo: Have those positions been changed already? It is telling me right here that if there are two (2) asterisks, it is showing re-described from School Crossing Guard. So have those Traffic Safety Monitors being redone? Are they now called "Traffic Safety Monitors" as of today?

Mr. Barreira: Anything that is currently in this proposed budget is not yet approved, so we cannot take definitive action until the Council approves that.

Council Chair Rapozo: But the re-description of a position can happen without our permission or knowledge. That is why I am asking if these positions were re-described.

Mr. Barreira: We will confer appropriately and get back to you within the next hour, as you have suggested.

Council Chair Rapozo: Okay.

Committee Chair Kaneshiro: With that, we will take our lunch break and be back in one (1) hour.

There being no objections, the meeting recessed at 12:20 p.m.

The meeting reconvened at 1:30 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back from lunch. Hopefully everybody is up and ready to work. We are on Councilmember Kuali'i's motion and I think we had some questions for the Chief of Police.

Chief Perry: Chief of Police, Darryl Perry. With regards to the last inquiry with the positions on these School Crossing Guards, I passed out the presentation we made to the Council at the beginning of the year, and there were questions about the date of the vacancies and what that reflected was not the vacancies of the Background Investigators because those were positions that are yet to be obtained, and the Training Officers as well. What they were, were the dates that the School Crossing Guard positions were actually vacant. Those days reflect School Crossing Guard positions that were not filled. Maybe HR can expand on that.

Ms. Niitani: The Chief is correct. There are a few that were listed on the vacancy, listing those five (5) positions, so those in particular have been vacant as School Crossing Guards, so that is correct. The Vacancy Report is correct, in that it is reporting what the position is as of now versus what they want to change it to in upcoming year.

Committee Chair Kaneshiro: Any questions? Councilmember Kuali'i.

Councilmember Kuali'i: My question is why did we do it that way? You are basically using the same position number for something really different and it is a

different position by name; a different name and different pay, probably...well, very likely here. In fact, if the Background Investigator is anywhere near the Training Officer, it is nothing like the School Crossing Guard. I cannot help but see what the report says. If the report says it is a Background Investigator and it says it was vacant since this date and it says that it is dollar-funded, but then I can ask about when the position would be filled, if not this budget year, next year; what would the range be? I have had the information on the range as well. It is kind of like hidden then, as far as the budget process goes, and misleading. So why do we do that process? Could you not just create a new position? It is a new purpose and new salary. Why do you not just create a new position, and whether it is during the budget or even throughout the year, if the need is urgent then there are money bills if you have the money in your budget and you can transfer it. Why is it that way?

JANINE M. Z. RAPOZO, Director of Human Resources: Janine Rapozo, Director of Human Resources. Jill has been informing me of the question regarding the change from the School Crossing Guard being used as a Background Investigator and now changed to the Traffic Monitor in the new budget. Part of what I think KPD's plan was to...because they have had so much difficulty in filling the School Crossing Guards, they were going to convert those positions to Traffic Monitors and therefore not need School Crossing Guards in the future. The reason for using that particular position number is that historically, it has been that you want to try to minimize the number of new positions you come in with, so the best way to accomplish that would be to look at what your current budget has as far as positions and see how you can re-describe them to what your current needs are.

Councilmember Kualii: Yes, it made sense with the School Crossing Guard to a Traffic Safety Monitor because it is related, if you will. The other situation, as far as to minimize coming in with new positions, that sounds like to bury it and we do not get to see it because it is just a reallocation and not a budget request with the full explanation of what the position is, what the salary is, and to seek approval either within the annual budget process or if it comes out at a different point through the year.

Ms. Rapozo: That is exactly why in FY 2017, those positions were now listed as Background Investigators.

Councilmember Kualii: Right. The position number is what was vacant, with the prior title. So this new position is vacant as of what day? July 1st, which is yet to come?

Ms. Rapozo: The background investigators?

Councilmember Kualii: Yes.

Ms. Rapozo: I think maybe the Chief can answer that better because I believe they use those Background Investigators as needed when recruitment is needed for the background investigators, so they use them as eighty-nine (89) day contract when they need them and may not even work forty (40) hours per week. It can get vacant or filled again, so they just figured that they needed that many positions in the next budget to be used as needed.

Councilmember Kualii: So it is not even a regular position, but more of an "as needed/temporary?"

Ms. Rapozo: Right. That is why I think it is budgeted in the "Wage and Hourly" section, just eighty-nine (89) days, hourly pay.

Councilmember Kualii: So there is a line item called "Wage and Hours" and there is a pool of money that you use for these eighty-nine (89) day hires?

Ms. Rapozo: I think the regular position salaries are under "Salaries." The regular salaries are like a "01" and the next section would be "Wage and Hourly," which is "02." That is where those would be listed, the Background Investigators. I believe that is where they would be budgeted.

Councilmember Kualii: I will just talk about the Background Investigators. Were the two (2) Training Officers also reallocations or use of prior position numbers that were School Crossing Guards as well?

Ms. Rapozo: Yes, 1309 and 1310.

Councilmember Kualii: And that is only budgeted now for July 1st? It was not budgeted last year?

Ms. Rapozo: Correct.

Councilmember Kualii: Okay. I wish there was a better way to be more upfront, but I understand now and I actually withdraw this motion.

Councilmember Kualii withdrew the motion to eliminate General Fund vacant positions and related benefits, which have remained vacant for greater than six hundred fifty (650) days excluding Traffic Safety Monitor positions, Councilmember Yukimura withdrew the second.

Committee Chair Kaneshiro: Okay. I will call the meeting back to order. We are moving on. Any further cuts for Police? Next. I think they had enough.

There being no objections, the meeting was called back to order, and proceeded as follows:

Ms. Fountain-Tanigawa: Committee Chair, the next department would be the Fire Department.

Committee Chair Kaneshiro: Do we have any cuts for the Fire Department?
Councilmember Yukimura.

Councilmember Yukimura: I am proposing to cut a portion of the Ocean Safety Officers. As it has been said before, if we had more revenues and this were a better budget situation, we would not propose these kinds of cuts, but these are positions that will be expenditures forever. I am glad for the Ocean Safety proposal, but I am thinking that because the calls are mainly on the north shore, that I would like to start with a pilot project, so it would be cutting four (4) of the six (6) and allowing the two (2) on the north

shore to be a pilot so that we can really see how that works and what the real costs are. Then to add on as we can, especially if we can get TAT moneys, which is a TAT expense, primarily. Then we can add on as we are able.

Committee Chair Kaneshiro: We need a motion and second on this.

Councilmember Yukimura moved to eliminate four (4) of the proposed NEW Ocean Safety Officer I positions (19 hrs/week), seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Okay. Any questions for the introducer?

Councilmember Yukimura: Thank you. This would cut out \$67,000. It is a \$100,000 budget. This would cut out four (4) of the six (6), but it would be in terms of a pilot project to continue, especially if we can get visitor industry moneys because this is largely related to the visitor industry, then we would add on as we can.

Committee Chair Kaneshiro: Do you have a question for the introducer?

Council Chair Rapozo: No, I have a comment, but I will wait for the commenting portion.

Committee Chair Kaneshiro: Okay. Any questions? We will take discussion on it. Council Chair Rapozo.

Council Chair Rapozo: This program is part of a pretty complex plan that was worked on between the Fire Department, Ocean Safety, and Kaua'i Lifeguard Association (KLA). I think when the presentation was made here, it was quite impressive and I think everyone agreed that it was one hell of a way to handle the need that currently exists. Last week, at the hotel I work at, the person that drowned out in 'Anini...the lady came to stay at our hotel and it was said, and I cannot help to think, "Was it the County? Could we have saved that person if there was one (1) extra lifeguard or two (2) extra? If we had adequate lifeguards or Ocean Safety Officers, could a life have been saved?" When this proposal was made to me once in my office and once on the floor here, I was very impressed with how the Fire Department, along with KLA put this together, and with the assistance and cooperation. I think this will serve a need. I cannot support the removal of these nineteen (19) hour a week positions. As we are fighting for the TAT, we justify the fight by paying these expenses, the impacts that the visitor industry puts on this County. Although the message would be a good message to the State saying, "Hey, because of your cuts or your greedy behavior with the TAT, we are not able to fund these types of things." But for me, I think the services or the product that we will get out of this new program is well-worth the investment, so I am not going to be supporting the cut.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: As I recall the numbers, and maybe we can call the Chief up, the bulk of the calls were on the north shore, so I think that is the appropriate place to start. I would even go to the eastside as well, but the call rate is something we have to look at. Can we ask the Chief to come up?

Committee Chair Kaneshiro: Yes. The rules are suspended.

There being no objections, the rules were suspended.

ROBERT F. WESTERMAN, Fire Chief: For the record, Chief Robert Westerman, Kaua'i Fire Department.

Councilmember Yukimura: Chief, do you recall what the calls are that were forming the basis of your proposal? I do commend the innovativeness of this and I think it is a good system. I just did not think we could go island-wide right away.

Chief Westerman: Well, the calls are all over the island. Most of our current drownings are actually on the south shore. Shipwrecks and Waiohai currently hold the record for the most amount of calls. For a long time—you are correct—on the north shore, especially out at Hanakāpī'ai and those beaches where there was no protection whatsoever, and the time to get there was very extensive was kind of the leader. The 'Anini example is a good one. We actually have tried a pilot program and it was on the north shore and it worked well and saved lives, at 'Anini in particular. That is why we thought we are not going to full towers and trying to decide where the tower is going to go. You are absolutely right—the south shore is the hottest place for drownings this year and next year it could switch to Keālia. I would hate to say that one (1) beach is any more hazardous than another because then we get into, "Where are we going to put the tower? Which community should get the tower?" So this roving patrol kind of resolves all of those issues. It puts us in motion and puts us on a lot of beaches.

Committee Chair Kaneshiro: Okay. Thank you.

Councilmember Yukimura: Can I ask you, how will you do the south shore coverage?

Chief Westerman: They are all the same. Each district would be covered by a roving patrol, and in their district, they would rove during the day and they would establish early in the morning, where what might appear to be the most hazardous beaches by wave heights and those kinds of things and where the people count is. Then they rove and in some cases they might move and stay there for a good part of the day if they think that is where the hazard is, and that will be the example in all three (3) districts; it would work the same in all three (3) districts.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: Any further questions from any of the other members? We will bring it back. Thank you, Chief. Any further discussion from the members on this? Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura withdrew the motion to eliminate four (4) of the proposed NEW Ocean Safety Officer I positions (19 hrs/week), Councilmember Kagawa withdrew the second.

Committee Chair Kaneshiro: Okay. Does anyone else have any cuts? Councilmember Kagawa.

Councilmember Kagawa: I have a proposal to reduce the overtime in the Fire Department by five percent (5%). I adjusted to try and accommodate a unanimous vote and the total cut would be \$71,584. We are not touching anything else but Regular Overtime. My reasoning is that I think we have the ability in management to try and accommodate these cuts. It is very difficult on the legislative side to know for sure what days and what situations we are going to cut; that is not our job. But certainly, when we had the presentation on salary inversion, there was much public outcry, at least to me, personally, from the public. We had one showing the Captain making \$100,000 in base salary and \$50,000 in overtime for a whopping \$150,000. If you cut the overtime by five percent (5%), that is only a \$2,500 cut. Instead of \$150,000, he would making \$147,250. So I think even that opens some eyes, but I think we are taking some measures to try and control a cost that is, I believe at this time, running away from the revenue stream that we have. Hopefully at five percent (5%) you can support it, knowing that no one is going to be in jeopardy of not being attended to in an emergency. I think we have dedicated firemen, certainly, and a lot of them are close friends and families of mine; including the Chief, who was my golfing partner. It is very difficult to propose cuts for anybody, but I think if we are going to lead by example here at the Council, we cannot ignore that we have two (2) departments that take up a lot of our budget and I believe that some cooperation from the departments and taking small measures to allow this County to succeed without any drastic measures, such as shutting down firehouses or mass layoffs. I think we would rather take the proactive step and take on these small measures to show the public that we are willing to all work together and find a solution.

Councilmember Kagawa moved to reduce Fire Department - Regular Overtime in all Divisions by five percent (5%), seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: My question is do you know what the lapsed rate was on these line items?

Councilmember Kagawa: We can look at the Comprehensive Annual Financial Report (CAFR). Do we have the lapsed rates? I think the CAFR showed in the neighborhood of \$600,000, if I remember correctly. \$794,000 was last year's lapse in the Fire budget. Again, this is a \$71,000 cut in overtime. I think the Police was around \$100,000. I am trying to be fair to both entities that have similar salary increases and overtime.

Committee Chair Kaneshiro: Any questions from the Members? Council Chair Rapozo.

Council Chair Rapozo: I have a question for the Chief.

Committee Chair Kaneshiro: Okay. The rules are suspended.

Council Chair Rapozo: I wish I would have asked the Police Chief earlier, but over the last several years, as far as overtime budgets, what has been the trend? Has it been going up? Has it been going down? Obviously, with higher wages your overtime costs escalates in proportion to salaries, but what has the trend been as far as the budget?

There being no objections, the rules were suspended.

Chief Westerman: Over the years, you are right. Simply because of pay raises, all of the salary line items have been going up. Through the years, the Administration has pulled a pretty hard line on us. Some years, it has been as much as to cut it by twenty-five percent (25%) already. So what is proposed on my budget this year and some line items have already been cut by fifteen percent (15%) and some line items cut by ten percent (10%). Again, I do not know which particular line items you are talking about. As Chief Perry explained, we do not have control over some of the line items. If it is a Premium Pay, it is a Premium Pay. It might be less as we go through the year because they did not have as many 9-alarm premiums or 9-alarm calls. But needless to say, some of them are just not controllable. I think we had this discussion when we were talking about the general budget about how could we differentiate which are the overtime items that we really have, we as administrators, have control over? I know we discussed with Councilmember Yukimura some of the ones that are like providing programs to the community that requires putting some people on overtime to do that. Those of course, we are able to try and control those costs. You are right; I did return back \$700,000 last year and I had some positions that did not get filled and \$250,000 that did not get encumbered and ended up getting encumbered the next year. That is just kind of how the budget cycle goes. If I just take the administrative overtime, I had to put an additional \$39,000 into overtime in order to make it through the year and had \$123 left at the end of the year in that line item budget. So you are right that I can move money around to make it happen, but I can almost guarantee you that I will probably be like the rest and come back for a money bill as we go through the year.

Council Chair Rapozo: Were you directed to reduce your overtime this year?

Chief Westerman: Yes, every year we are asked to look at our costs and reduce them, so we "bicker" back and forth, for a lack of a better word, on where that amount should be. This year, some of the line items were ten percent (10%) and some were fifteen percent (15%). If you noticed in my supplemental budget, I have asked them to put back some of the money they took out of the training line items because that training overtime is overtime I need in order to provide all of their certifications and requirements that they are required to have through the year. So that is really not an option for me or they become decertified in certain things. Again, we tried to move as much training as we can to on-shift and not overtime, but there is just some that we have to do on overtime.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I would just like to add that this is only cutting the Regular Overtime amounts in five (5) different departments of the Fire Department. Again, my initial proposal was for twenty percent (20%), which would have been about \$625,000. Then my proposal that I came in this morning with, thinking to get four (4) votes realistically, I could cut it in half to ten percent (10%), which would bring \$312,000, and now we are at a mere \$71,584. I think the fact that it is so difficult to get four (4) votes here at the Council just cut my initial request into ten percent (10%) of what it was. The pressure works without even saying words.

Committee Chair Kaneshiro: Any further questions for the Chief? If not, I will bring the meeting back to order. Any final discussion on this? Councilmember Kualii.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kualii: In the five (5) accounts that we were talking about, there was a total of \$19,000 lapsed from last year. So with the \$19,000 lapse, that will cover a portion of the \$71,000, and then with the \$600,000 to \$700,000 lapse in the total department, that could cover the remaining \$50,000. So we are talking about a modest amount. I see it as, again, about maximizing scheduling and where needed, you do not do it because safety is important and you transfer (inaudible).

Committee Chair Kaneshiro: Any further discussion? If not, roll call.

The motion to reduce Fire Department - Regular Overtime in all Divisions by five percent (5%) was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kualii, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Any further proposals for Fire? Councilmember Kagawa.

Councilmember Kagawa moved to eliminate Position No. 84, Deputy Fire Chief, seconded by Councilmember Yukimura.

Councilmember Kagawa: Again, I feel like if we are going to take drastic steps in trying to control the size of our government, I think we need to rely on existing management. The Chief has three (3) Battalion Chiefs, which I know all of them and I know they are all fully capable and full of experience and pride. I feel like we are just at a point where we are top-heavy, and just a personal observation, I feel like we can do without the Deputy Fire Chief and that the existing sub-management can cover these duties. Thank you, Chair.

Committee Chair Kaneshiro: Questions?

Council Chair Rapozo: I have a question for the Chief.

Committee Chair Kaneshiro: Okay. I will suspend the rules.

Council Chair Rapozo: In the original budget submittal, you were asking to remove the Deputy Fire Chief, if I remember correctly, and you have two (2) Assistant Fire Chiefs, right?

There being no objections, the rules were suspended.

Chief Westerman: It was not to remove them; it was to reallocate them to an Assistant Chief.

Council Chair Rapozo: And have one more Assistant Chief? So you would have a Chief, yourself, and two (2) Assistant Chiefs, versus one (1) Deputy?

Chief Westerman: Yes. The other Assistant Chief was also a reallocation from the Fire Fighter Position; it was not an add.

Council Chair Rapozo: Okay. So in this scenario now, you are saying that your Fire Chief is vacant right now.

Chief Westerman: Deputy Chief.

Council Chair Rapozo: I mean Deputy Fire Chief, yes.

Chief Westerman: Yes, but that is because it has been dollar-funded.

Council Chair Rapozo: Okay. So now it is budgeted, so your intent is to hire the Deputy?

Chief Westerman: Yes.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Your intent is to hire a Deputy Fire Chief?

Chief Westerman: Yes.

Councilmember Yukimura: And to have an Assistant Fire Chief as well?

Chief Westerman: Yes.

Councilmember Yukimura: And you have three (3) Battalion Fire Chiefs?

Chief Westerman: Yes.

Councilmember Yukimura: So maybe you can explain to us. It does feel top-heavy.

Chief Westerman: I guess it is a matter of perspective when you are sitting in my seat. I think it is extremely light. The Battalion Chiefs are not managers in the department; they manage a shift, an operational crew day-to-day. Their ability to be able to take off and spend the day like they are doing right now today, the crews are suffering because they do not have their leader out there working with them and helping them during the day, plus they do additional duties, like Councilmember Kagawa brought up. They already do things like help us with purchasing and issues, but they suffer from the same anomaly that our firefighters do, is that they work a shift, so they are on today, off

tomorrow, on the next day, and then they are off for four (4) days. If they are working a project that is critical, they could be off at a time that some decisions might need to be made. So the intent for them is to work the shift that they are on and make sure that all of the operations are done properly and safely and the firemen have everything they need, and in some cases, takeover the operation from them; not to sit back and manage the department. The Assistant Chief's responsibility will be to help manage them and make sure that everything they need to do and assign them additional tasks, and then that is his responsibility to help make that happen. The Deputy Fire Chief, as it was in the past and always has been, was to help me manage the department. It is two hundred seven (207) people. I am sorry, but logistically, it is like I said in the budget hearing that I have run out of time in the day. There are not twenty-nine (29) hours in the day and things are not getting done. I am sorry to say that, but I do not want something to happen when I am not here in order to make it happen and I really need these tiers of management in the department.

Councilmember Yukimura: So you are saying that you need two (2) Assistants to do your work?

Chief Westerman: No.

Councilmember Yukimura: I mean it is an Assistant Fire Chief and a Deputy Fire Chief.

Chief Westerman: Assistant Fire Chief and Deputy Fire Chief. They do two (2) different things.

Councilmember Yukimura: What is the difference?

Chief Westerman: The Deputy Fire Chief is basically like me, like the Fire Chief, and supports everything that we do all day long like decision-making, getting out and seeing what is happening in the programs, making the decisions, talking across the shifts, management of the department, and those kinds of things. The Assistant Chief's responsibility is to manage the three (3) different shifts and the three (3) bureaus that are out there, operating on a daily basis.

Councilmember Yukimura: The three (3) bureaus are your Fire Prevention, Ocean Safety, and...

Chief Westerman: And Fire Training and the Administration.

Councilmember Yukimura: You also have the Captains at each station.

Chief Westerman: Yes.

Councilmember Yukimura: This Assistant Fire Chief will get overtime?

Chief Westerman: Yes.

Councilmember Yukimura: Even though he or she is in an administrative managerial position?

Chief Westerman: Yes. There is need for it. Yes, he is eligible for overtime.

Councilmember Yukimura: He does not get automatic overtime like your Fire Prevention person does?

Chief Westerman: I would have to ask Rose to come up and help me with that, of what is included in his pay. But he is different than the Battalion Chiefs, because he is not working a shift like the Fire Fighters.

Councilmember Yukimura: I know.

ROSE BETTENCOURT, Administrative Officer: Good afternoon. Rose Bettencourt, Administrative Officer at the Kaua'i Fire Department. The Assistant Chief is an excluded managerial position, so he would be in the same category as our Battalion Chiefs, whereas a Deputy Fire Chief, as an exempt position, he gets a salary and that is it. The Assistant Chief would be entitled to overtime, as the Chief says, if there is a need for it, because he would be covered under the same Executive Order as our Battalion Chiefs.

Councilmember Yukimura: Okay. Is that the same for your Fire Prevention? Is that a Captain there?

Ms. Bettencourt: The Captain is included; he is not excluded managerial.

Councilmember Yukimura: So he gets the rank for rank?

Ms. Bettencourt: Yes.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Rose. Now that we have this supplemental and it looks different from the original—so if the Assistant Fire Chief just got added, where is that person sitting right now? Or did he already get added?

Ms. Bettencourt: No. Just the proposal you mean for the Assistant Fire Chief?

Councilmember Kagawa: Yes, \$133,347, EM-7. Who is in that position right now?

Ms. Bettencourt: A Fire Fighter.

Councilmember Kagawa: Is he in already?

Ms. Bettencourt: Yes.

Councilmember Kagawa: So that is a warm body?

Ms. Bettencourt: Yes.

Councilmember Kagawa: The Deputy is open?

Ms. Bettencourt: Yes.

Councilmember Kagawa: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions?

Council Chair Rapozo: I have to ask an obvious question.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Because the salaries of the excluded are so much higher, \$20,000 higher, would it not be fiscally wise to create another Deputy position, as opposed to an Assistant Fire Chief? In other words, for the administrative duties, you could have multiple deputies versus...that is \$20,000 more...

Ms. Bettencourt: Frankly, that was something that we had not entertained or discussed.

Council Chair Rapozo: Well, I am entertaining it because I did not realize the difference in pay was so much. As we are trying to control the runaway—to me...it is a title...the title “Deputy Fire Chief” would be an exempt, correct?

Ms. Bettencourt: Yes.

Council Chair Rapozo: So they would be limited by the Salary Commission.

Ms. Bettencourt: Yes.

Council Chair Rapozo: Versus an Assistant Fire Chief, who the longer they stay in, the more they get.

Ms. Bettencourt: Yes.

Council Chair Rapozo: It does not end, right?

Ms. Bettencourt: Yes, it depends on how it goes.

Council Chair Rapozo: I guess I would put that out to you folks, if that is a possibility, to create another Deputy Fire Chief. I am assuming that the duties are similar. It is just because of the way it is titled, the salary would be different. What I am hearing is that the Deputy Fire Chief is basically the Chief's Deputy, the top administrator, who should be qualified to do the duties of an Assistant Fire Chief.

Ms. Bettencourt: Yes.

Council Chair Rapozo: I am a former cop, so I am thinking that the Deputy Police Chief versus an Assistant Chief, which used to be called "majors" and "inspectors," but to me, the Deputy should be able to do all what they do.

Ms. Bettencourt: Yes.

Council Chair Rapozo: They are at the same level of experience. To me, the feasible thing would be to create another Deputy because I think you are going to have a hard time getting the support for a position that is \$133,000 and climbing versus \$114,000 steady. That is just a thought.

Ms. Bettencourt: Okay.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: How are you going to fill it?

Ms. Bettencourt: The Assistant Chief?

Councilmember Yukimura: No, the Deputy Fire Chief. Who would want a position like that?

Ms. Bettencourt: That is an interesting question.

Councilmember Yukimura: So even if we create it...you do not have somebody in that position now, right?

Ms. Bettencourt: No.

Councilmember Yukimura: Partly for the reason...

Committee Chair Kaneshiro: That position was dollar-funded last year.

Councilmember Yukimura: Yes, that is what I mean. Why would someone take \$114,000 when they can make much more as a Captain, Battalion Chief, or Assistant Fire Chief? With a base pay of \$133,000 as an Assistant Fire Chief with overtime, this person would be making about \$150,000.

Ms. Bettencourt: Yes, that is conceivable.

Councilmember Yukimura: And retiring with that kind of base as well?

Ms. Bettencourt: Yes.

Committee Chair Kaneshiro: Any further questions for the Chief? If not, I will bring the meeting back to order. Any discussion on this? Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: I just want to reiterate what I said during the hearing. We have a Fire Department and seven percent (7%) of the calls are fire calls. The rest are mainly emergency medical calls and the State is paying for an emergency medical system—I do not know what the cost is. When there is a call, an emergency medical, the firetruck goes and the Emergency Medical Services (EMS) goes. The overlap and duplication is incredible and the people of Kaua'i and Hawai'i are supporting that. There has to be a better way and I hope that somebody is looking at that because I bet we could find an incredibly robust system for less cost if we somehow coordinated things. We have two (2) medical directors: the Fire Department has a medical director and the EMS system has a medical director. You can just see the duplication, so especially at salary levels like this, there has to be a better way and I hope somebody is looking at that. This is an administrative matter.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: The question for this Council is it seems like we have the votes to eliminate the Deputy, but do we want to instead leave the Deputy and eliminate the Assistant Chief? That is the call. If we have the votes there, I would be willing to withdraw my motion. I am just trying to find consensus among the Members.

Committee Chair Kaneshiro: Any discussion from the Members?
Councilmember Yukimura.

Councilmember Yukimura: I appreciate the thought. The thing is that position, if we do have a Deputy position, could stay empty, too. Is that a possibility? To have both of those positions does not make sense to me at all.

Councilmember Kagawa: If I could just make a last point just as an outside observer that not all the time will salary amount in the present time dictate whether a candidate...I am not talking about a Battalion Chief taking a pay, but I am talking about a Captain that deserves a Deputy's pay and responsibilities. It is not all the time that they will just wait for a Battalion Chief or what have you to open. It may be experience that they are looking for to jump into the Deputy, get that experience, and when the Battalion Chief or Fire Chief opens up, they are in line and they have that experience. I do not want to say that at \$114,000 that, that pay does not make it available to a candidate that is looking for advancement. Of course, \$133,000 over \$114,000 looks better, but...

Councilmember Yukimura: And no overtime.

Councilmember Kagawa: Yes. Anyway, we have a decision that is out there. Thank you.

Committee Chair Kaneshiro: I will suspend the rules. Councilmember Chock.

Councilmember Chock: Thank you. Chief, I am trying to think about the Deputy position again and some of the duties in comparison to yours because what I am hearing is that you want them to act as you, basically. Is there a way to look at that position or rename that position so that there are duties that they encompass that may assist you, but not have the same role or same title? For instance, I am not real clear, but I know that some cities and counties have a "chief's driver" that does a lot of the

“groundwork,” so to speak, so they are not in that criteria, but they get a lot of the legwork done. Would that be another alternative to look at from your perspective?

There being no objections, the rules were suspended.

Chief Westerman: I appreciate the conversation. The question actually goes to what Councilmember Yukimura was saying. I agree with your perspective wholeheartedly, but who is going to do that? All of this movement that you want to do with EMS and providing better service to the County is in the strategic plan.

Councilmember Yukimura: To merge...

Chief Westerman: The dilemma remains, who is going to do that? I am already working twenty-nine (29) hours a day, trying to just manage my department. So to move it forward, we are at a standstill because there are not physically the bodies to do it. There just are not the bodies to manage at that level to perform those functions just like you were saying. What does a driver do for me? Really, not much, because the driver cannot sit in my office and work on a disciplinary issue with one of our Ocean Safety Officers or Fire Fighters and they cannot sit in my office and decide how the budget is going to be done and where the money is going be spent. Where are we spending the money? How are we spending the money? Are we doing it right? Are we doing it in the wishes of the Council? Are we doing it in the wishes of the Administration? All of that rests upon my shoulders. I have nobody else. I do not want to get offensive here, but I am the only department that will now be without a Deputy and being the third largest in the County, you want me to be effective and efficient, but you do not want to provide me the resources. I am sorry, I do not want to be offensive, but this is exactly what you are telling me. You want me to be successful, but you do not want to provide me the tools that I need to make this department work, be safe, be efficient, and be progressive. That is why we need both of these positions. I cannot really say anything else. I am sorry that I am getting a little aggravated, I guess, with the questioning, but I am trying to defend the department. It really is critical that these two (2) positions be provided to the department so we can move it forward.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I was going to ask you a question that you just answered. My question was about the impacts and you answered them clearly and I believe the department needs both positions and will be voting accordingly.

Committee Chair Kaneshiro: Any further questions for the Chief?
Councilmember Kagawa.

Councilmember Kagawa: No, I just have my comments.

Committee Chair Kaneshiro: Okay. Further questions for the Chief? If not, I am going to bring the meeting back to order. Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: If there is a question that he cannot at least get one...say we fill the Deputy and let go of the Assistant Chief and he says it is highly likely that somebody will take the Deputy, then he has nobody. But at least if we leave the Assistant Chief, there is a guarantee that somebody is going to take that \$133,000 pay. I think I would say at least give him one Assistant that he will guarantee have to assist him. In the upcoming year, if it shows that there is some kind of lapse in performance, we can look at it as a midyear request, but I would say at this point, we are trying to tighten up the budget. I am not the manager there, but there are three (3) Battalion Chiefs right under, highly paid, and there are Captains and a lot of management that can all come together, pitch in, and make it run. I think we have a tough decision and it is not pleasant, but what is the alternative? GET? Anyway, I am ready. Thank you, Chair.

Council Chair Rapozo: I have one more question for the Chief.

Committee Chair Kaneshiro: Okay. I will suspend the rules.

Council Chair Rapozo: Chief, how long would it take for you to fill the Deputy spot or do you even think you can?

There being no objections, the rules were suspended.

Chief Westerman: Well, my intent was, once July hit, to go out for both positions.

Council Chair Rapozo: What is the likelihood of somebody qualified in your department for the Deputy position to actually take that position because of the pay?

Chief Westerman: Well, I think there is probably several that will apply.

Council Chair Rapozo: Oh, so you think you will not have a problem filling it?

Chief Westerman: It might be a tough decision of who I select, yes.

Council Chair Rapozo: But you do not think you will have a problem filling it?

Chief Westerman: I guess really it is my problem if I do have the problem. Like I said...

Council Chair Rapozo: Well, I am not supporting removing the position, but I do not like funding a position for twelve (12) months when the position will not be there for twelve (12) months. Do you know what I am saying?

Chief Westerman: Oh.

Council Chair Rapozo: So if it is going to take you six (6) months to get somebody in the seat, then I am obviously going to support reducing the salary by six (6) months. If it is three (3) months that it is going to take you to fill, which is what we do, but that is the only reason why I asked the question. Do you believe you can fill that position?

Chief Westerman: I believe I can fill it.

Council Chair Rapozo: Okay.

Chief Westerman: Can I make one point? Maybe personnel might want to respond to it, but the position for an Assistant Chief, if you choose not to do that, it does not go away. That is actually a position in the department because it is a reallocation, so we would have to be careful on how we make that decision.

Council Chair Rapozo: That is a warm body.

Chief Westerman: Yes.

Council Chair Rapozo: Thank you.

Committee Chair Kaneshiro: I have a question, too, I guess, and it might be for the Administration. I think in the past we have dollar-funded this position, but right now we have it as completely eliminating the position. Have we eliminated Deputy positions before? Police is gone.

Ms. Bettencourt: When there are no warm bodies, yes.

Committee Chair Kaneshiro: Okay. Is the intent to eliminate the position?

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: When we say "eliminate the position," we have an opportunity midyear to come up with a money bill and put it back. It is not like we are chopping a head off and that it cannot be reattached. It is just that at this point, making a financial decision that we believe at this time, given the facts we have and what is best for the County. We are the budget-makers and decide "yes" or "no" at the time and it is not chopping the head off, but just putting a bag over the head for a little while.

Committee Chair Kaneshiro: Any further discussion from the Members?
Councilmember Yukimura.

Councilmember Yukimura: I do want to say something.

Committee Chair Kaneshiro: Is this a question to the Chief?

Councilmember Yukimura: No, this is discussion. I just want to say that with respect to my point about finding a way to remove the overlap, it is not about doing things within the Fire Department. It is about working cross-agency and policy-wise to find out how to create a new organization, and I believe that can be done by whoever is doing your strategic plan. It has to be done in very deep conversation and in analyses with Department of Health and the EMS service. I think that is a direction that we have to look at because we cannot keep going this way.

Committee Chair Kaneshiro: Anyone else? Sorry, I have a question for the Chief. I am going to suspend the rules. It seems like we are in a predicament of trying to decide. I do not think everyone is comfortable with having both of the positions, but they are trying to decide which position would help your office out the most. I guess I will put the question this way—if you had to choose, what would be the position that you would want to keep if one was on the chopping block? I think that is what is going around the table right now based on can you hire easier in one and who is going to help you out the most and be the most valuable.

Council Chair Rapozo: Chair, I guess I just have a clarifying question because I think he just said that Position No. 630 is filled and that there is a person in that position. I am looking at our sheet, the comparison sheet that we got, and it is showing Position No. 630 as a new position. Is someone in that position, the Assistant Chief?

There being no objections, the rules were suspended.

Chief Westerman: The position is a reallocation to the Assistant Chief.

Councilmember Yukimura: Of a vacant position?

Chief Westerman: I do not know how they classified that, but maybe Rose can help.

Councilmember Yukimura: Is it vacant?

Chief Westerman: No, it is not vacant.

Council Chair Rapozo: Yes, I heard it was, but it is showing up on our sheet as a new position.

Ms. Bettencourt: It was a position that we got two (2) years ago and it is currently filled.

Council Chair Rapozo: Currently filled as what?

Ms. Bettencourt: As a Fire Fighter Trainee.

Council Chair Rapozo: Fire Fighter Trainee?

Ms. Bettencourt: Yes.

Council Chair Rapozo: The Fire Fighter Trainee is not getting paid \$133,000, right?

Ms. Bettencourt: No.

Council Chair Rapozo: You took that position and that position was reallocated to an Assistant Fire Chief?

Ms. Bettencourt: We are requesting that it be reallocated, so in the budget, the adjustment from his salary was...

Council Chair Rapozo: Okay. If the budget item gets approved, then you can fill that...so that person in that position right now is still a Fire Fighter Trainee.

Ms. Bettencourt: Yes.

Councilmember Yukimura: I have a question.

Committee Chair Kaneshiro: On this same follow-up?

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: Okay. Councilmember Yukimura.

Councilmember Yukimura: I am a little confused about how you can reallocate an existing position into a position that does not have that body. Is that what you are proposing to do?

Ms. Bettencourt: It would require us to work with the Department of Human Resources if it is a promotion and movement simultaneously, so nobody will be out of a job; it is just like a circular movement.

Councilmember Yukimura: Who is in there right now? A Fire Fighter Trainee?

Ms. Bettencourt: Yes.

Councilmember Yukimura: And you are not...please explain because I am confused.

Ms. Bettencourt: Okay. There is currently a Fire Fighter Trainee in the position and if the budget were approved for the Assistant Fire Chief for that position to be allocated, we would work with Human Resources in order to go out for promotional recruitment, and then do movements at the same time. It is going to be someone else within the Fire Department who is going to go into the Assistant Chief position, so that position becomes vacant and it is like a domino effect, then we fill up, up, and up, and eventually we have a Fire Fighter position on the bottom open where that person would go into. It would be all on the same day.

Ms. Rapozo: Councilmember Yukimura...

Councilmember Yukimura: Theoretically, you can just use any filled position and reallocate it to get an extra position?

Ms. Bettencourt: It is not an extra position; you still end up with the same number of positions, the same amount of positions. It is just that...

Council Chair Rapozo: That one (1) salary is three (3) times more than the others.

Ms. Bettencourt: Yes.

Council Chair Rapozo: So you triple the cost with the same position. I think that is what Councilmember Kualii was talking about earlier. For us, it is kind of like, "Wow." Then next year in the budget, we are going to ask why did it get so high? It may not only be because of collective bargaining, it is because of these manipulated positions throughout the budget year. I think that is what he is saying.

Chief Westerman: Council Chair...

Council Chair Rapozo: Chief, do not take offense.

Chief Westerman: I am not.

Council Chair Rapozo: I am just saying that it is difficult for us because when we approve the budget, the public sees the budget and it is a \$189,000,000 budget, and then between this year and next year, there will be all of those reallocations without anybody knowing, there is no public process, no public hearing, and all of a sudden, somebody's salary jumped three (3) times and next year we are another \$30,000, \$40,000, or \$50,000 in salary for one position, and no one knows about it until something like this comes up and we are asking. So I think that is the frustration.

Chief Westerman: That is why we are here today to tell you that is what we want to do, and it is not a budget three (3) times the salary; it is only the difference between a Fire Fighter's salary and the Assistant Chief's salary.

Council Chair Rapozo: What is the Fire Fighter Trainee salary?

Chief Westerman: \$56,000 base pay.

Council Chair Rapozo: Okay. This is \$133,000?

Chief Westerman: \$133,000.

Council Chair Rapozo: Okay, maybe not quite three (3), but more than two (2).

Chief Westerman: Right. Councilmember Yukimura, if the Assistant Chief gets filled, that means maybe a Battalion Chief got promoted, so that position is open. So then the Captain gets promoted into the Battalion Chief and the Fire Fighter III gets promoted into that, so that Fire Fighter position becomes open.

Councilmember Yukimura: As you pointed out, it is not like it is happening without our notice; you folks are here before us asking for that to happen, so it is a transparent, open process that you are doing it by.

Chief Westerman: Right. Chair, I do not know if I have an answer for your question. As I stated before, I need both positions. If you want me to move the department forward, provide good service, and provide my firefighters safety, I still feel I need both positions. I guess the bottom line, if I had to choose, I could reposition the

Assistant Chief into any position that I want him to be and I could assign him whatever duties I wished. You are right that it would be easier to fill, so I guess would I go with the Assistant Chief. The other side of that, too, is with a Deputy there is always the opportunity for a Deputy to stepdown. So if I keep the Deputy instead of the Assistant Chief and bring somebody up, they have the opportunity to learn, and then they have the opportunity to step back down to maybe be the Chief some day and someone else step up and get some education and experience. The dilemma is both sides for me. Again, restating my case, I think I am in need of both positions, but whatever the Council chooses to do is, I guess, what I will live with.

Committee Chair Kaneshiro: Got it. Any further questions for the Chief? If not, we will bring the meeting back to order. Discussion? Right now, we have cutting the Deputy Fire Chief position. I think it is the same conundrum. Do we want both of them? Do we want one? Which one is it? Discussion? Councilmember Kualii.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kualii: I will just say that I am willing to support removing either. I would prefer to support removing Position No. 630, Assistant Fire Chief.

Committee Chair Kaneshiro: Any other discussion from the Members? Councilmember Kagawa.

Councilmember Kagawa: I want to agree with you, ninety-nine percent (99%), Councilmember Kualii. I realized that sometimes you have to take the good and the bad and I certainly do not want to hurt the Fire Department in their performance and duties. I think cutting the Deputy would be a more feasible cut for us.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I just think that there is a big difference between a position that has a fixed salary, which is the deputy, versus this EM-7, which is basically eligible for overtime. It is budgeted for \$133,000, and that in its sense, is a budget approval. That is not something that exists now, so we would be approving a new \$133,000 position from a \$56,000 position that was reallocated. I think this practice is pretty much the opposite of transparent and something that I hope will stop as we all learn more to point it out, see it, and question it. Very easily, either chief could come before this Council and justify a position and the need for that position and just what it takes. But to do this stuff behind the scenes, and then for it to just slip by us in the budget is wrong. I think that is wrong. I would much rather support keeping the Deputy position and removing the Assistant Chief.

Committee Chair Kaneshiro: Any further discussion from the Members? Council Chair Rapozo.

Council Chair Rapozo: I just have a difficult time cutting positions, because as part of the Chief's strategic plan, I am concerned about that. I do not like the practice any more than Councilmember Kualii and I do not know what we can do. Our last County Attorney advised us improperly that we do not have right to do certain things, but I think when you are taking a position like that, you are taking a \$50,000 position and

reallocating it to a \$133,000 position, I believe that we should have the right to approve that. I think that we should have the right to put that in as a proviso, but maybe I am wrong. Having said that, I think the Chief has made an argument that satisfies me that the positions are needed. I do not think it will pass, so it is not going to matter what I say, but I would ask the Chief and Rose to consider my suggestion of another Deputy versus another EM, for no other reason but to really help this County in some trying times because the salaries are out of this world. Like I said, I do not think my comments will matter because I do not think it is going to pass, but I would just take that...is the Chief here? Is he around? Where did he go? Oh, he is sitting right there. But if you can at least consider that, Chief. I am not going to be supporting the removal of the position. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I am not going to be supporting the cut as well. I think the Chief does need this position in order to achieve the goals he is setting forth. I think that what I am asking for is for a lot more flexibility from a broader position as the Chief, to really look and dig deeper as we are trying here, trying to cut things that should not be cut, really, because that is what needs to happen. You folks are doing it creatively, as it is with the Assistant Chief positions and moving them around, but I think if we can work together on that a little bit more closer, we would not be in this position right now and I think that we are going to have to take some bold moves. I know the transition that you are looking for and I am supportive of that.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I guess I am ignorant, but I still do not get how the Chief could not do it with one (1) Deputy or Assistant because there are three (3) Battalion Chiefs as well. This is high-level managerial. Nobody else in this County has two (2) deputies. The department heads have huge reach, whether it is number of people, complexity of issues, or difficulty of problem-solving. So it seems to me that there should be a way, with three (3) high-level Battalion Chiefs and an Assistant Chief, to be able to handle this. I could be really ignorant. I have never stood in the Chief's shoes, but as someone that is looking overall in the County, and I think we have to recognize that there are other departments and other really heavy responsibilities, and in this time of difficult budgets, it seems that we need to be aware of that. I also think that there are not too many departments that have this high-level of salary for their managers either. The Battalion Chiefs are all at \$120,000 and with overtime, which we saw during the hearing, was \$170,000 for each Battalion Chief. We have a responsibility here, I believe.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: As I indicated earlier, I am not supporting cutting the Deputy Fire Chief position or the other Assistant Fire Chief position. There is no doubt in my mind that the Chief needs the support, the managerial support, specifically. Unlike every other department, except for perhaps the Police Department, this is a seven (7) day a week, twenty-four (24) hour a day job and we owe it to the Chief, the department, and the people to make sure we give him the proper support that he needs and I am convinced he needs it, so I will not support the cut.

Committee Chair Kaneshiro: I guess for me, it is taking the lesser of the two (2) evils. I applaud the Fire Chief. He has handled this long without an Assistant Fire

Chief or a Deputy Fire Chief and you can see the stress on his face for what he has to deal with. For me, I am okay with leaving in the Deputy Fire Chief and if there is a proposal for the Assistant Fire Chief, then I will probably vote against that, but I definitely do think that the Fire Chief needs somebody there and needs some support. He has been doing it this whole time, so this will only help him...any other position there will only help him. Any further comments? If not, roll call vote.

The motion to eliminate Position No. 84, Deputy Fire Chief, was then put, and failed by the following vote:

FOR MOTION:	Kagawa, Kualii, Yukimura	TOTAL – 3,
AGAINST MOTION:	Chock, Hooser, Rapozo, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: The motion fails. Are there any other cuts?
Councilmember Kagawa.

Councilmember Kagawa: I do not know if it is prepared yet, but I am proposing that we reduce the Assistant Fire Chief to a trainee pay. Do we need some time? We may need some time.

Committee Chair Kaneshiro: Actually, I had one that would not need time. Is it okay if I propose mine first?

Councilmember Kagawa: Yes.

Committee Chair Kaneshiro: Thank you. I have a minor one. It was something that I questioned earlier. I am going to need somebody to propose it and have a second. Earlier, I questioned the Chief on the equipment purchases like the treadmills and stationary bikes and I saw that they did actually take out the treadmills. They still have a small amount for stationary bikes, and it is a small amount, but to me it is kind of just that whole question of “want” versus “need.” Do we want this or do we need this? It is a small amount, but it just bothers me on the want and need. I am open either way. If people think that it is a need for the fire stations or not...I am more under the impression that it is a want.

Councilmember Kagawa moved to remove funding in the amount of \$4,800 from the Fire Department, Fire Operations for Stationary Bikes, seconded by Councilmember Kualii.

Committee Chair Kaneshiro: Any questions or discussions on this? This is for \$4,800 for two (2) stationary bikes. Any discussion? If not, we will take a roll call vote on it.

The motion to remove funding in the amount of \$4,800 from the Fire Department, Fire Operations for Stationary Bikes was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kualii, Yukimura,	
	Kaneshiro	TOTAL – 6,
AGAINST MOTION:	Rapozo	TOTAL – 1,

EXCUSED & NOT VOTING: None
RECUSED & NOT VOTING: None

TOTAL – 0,
TOTAL – 0.

Committee Chair Kaneshiro: Any further Fire cuts?

Councilmember Kualii: Mine is only being prepared if yours fails.

Councilmember Kagawa: I am just going to explain my proposal. I am alarmed at...when I was told that a warm body was in there, I thought a warm body was in for the entire Assistant Fire Chief and already promoted to that pay; however, I think in these tough times, we are adding high-level, managerial position pay and certainly everybody would like to take care of their employees and have more assistants at the top, but certainly now is not the time. We have seen it with all of the recent tax proposals and what have you. The public is saying, "Is a policeman/fireman worth \$170,000? Is that reasonable?" I do not think it is reasonable. Therefore, I propose that we leave the trainee position as-is and wherever that person came from can remain at his position until we have a full vetting of the reasons why a promotion that large should be approved. Thank you.

Councilmember Kagawa moved to reduce Salary and title change for Position No. 630 from Assistant Fire Chief to Fire Fighter I and move position from Fire - Administration to Fire - Operations reduce Position No. 630 to Firefighter I, seconded by Councilmember Kualii.

Councilmember Yukimura: I have a question.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Vice Chair, you are proposing that this position be down-allocated to a Fire Fighter Trainee?

Councilmember Kagawa: Yes. The person that is in the warm body will get paid that amount that the person is right now and that cut will amount to a savings of \$90,517, so I make the motion to reallocate the position from an Assistant Fire Chief to a Fire Fighter Trainee also.

Committee Chair Kaneshiro: I will suspend the rules. We have a question for the Chief. Councilmember Hooser.

Councilmember Hooser: It has been a long day and it is only 2:45 p.m. Can you give us your thoughts on the impacts of this to your operations and plans?

Committee Chair Kaneshiro: Chief, do you have an understanding of the motion? Can you hand the Chief a sheet. It is reducing the Assistant Fire Chief's position back to what it was.

Councilmember Hooser: So it is my understanding that this reduces the pay to the equivalent or the funding, I should say, to what the individual was getting paid at this point and re-describes the position to the position the person has, as opposed to the Assistant Chief position. Is that correct?

Councilmember Kagawa: Correct.

Committee Chair Kaneshiro: Councilmember Hooser, can you ask your question again?

Councilmember Hooser: Okay, so the proposal is to change the position designation to reflect the actual person that is in there now, their job title and description, as well as their pay. So that would remove the Assistant Chief designation that is there now and remove the excess funds that are there now. My question is what impact will this have on the plans and operations of the Fire Department?

Ms. Bettencourt: As far as not having an Assistant Chief? Is that the question?

Councilmember Hooser: Yes.

Ms. Bettencourt: That is something that I think the Chief would be better able to answer.

Councilmember Hooser: Okay. It also has some fiscal implications because there is money being cut also.

Chief Westerman: Right. If the position is not there, the funding is not needed to be there to support the position. My concern was how this reflects backwards, and again, I might need Human Resources' help to make sure it is right because the proposal in the budget was just to reallocate a position. We were not moving the position, so I do not understand how that works. If we do not have the position, again, I restate the effects it has on the department. The fact then that it is just the Deputy and I still trying to move everything forward. With the Deputy before, the Deputy was in the Operations Division doing what the Assistant Chief would have been doing and I was left doing both the Deputy and the Chief's operations, so that is why we proposed it this way to get the Deputy back to where he needed to be in supporting me and the department, and then letting the Assistant Chief manage the Operations Division. Again, if I have one (1) of two (2), I move forward.

Councilmember Hooser: It seems like you have your Deputy position.

Chief Westerman: Yes.

Councilmember Hooser: Now, the Assistant position you have does not have an assistant in that position. It has a Firefighter Trainee.

Chief Westerman: Right. Well, I guess I could do whatever I wanted to do with the position, if that is what you are getting at. This was kind of a complicated move. We had three (3) positions in the rescue company and we reallocated all three (3) of the positions to support the strategic plan and our movement forward. One went to training as a Firefighter III and that was to support the EMS function, as it was being built up in the training division; one went to Fire Prevention to help support the education program in the Fire Prevention Bureau; and the third position was going to go to the Assistant Chief. So now what happens is that engine company or that rescue company in Lihue, one (1) of the three (3) has an extra body. For me, that is complicated. I will take that position and move it somewhere in the administration and figure out something to do

with it. Councilmember Chock said to make him a driver—that is essentially what I am going to do, and then work with HR on how I can move that position over to the administration bureau.

Councilmember Hooser: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions for the Chief? If not, thank you, Chief. I will bring the meeting back to order. Any discussion on the motion? I have a question. So if we did not have the Assistant Fire Chief position on it, this is what the position would have been? Is that what we are trying to do?

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: Exactly. The person in that position right now, the warm body, is not going to be cut. We are just adjusting the salary to what he is actually doing.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I actually think of it not as a “cut,” but that this proposal is to approve the coming reallocation because it has not been reallocated yet. As part of that reallocation they are doing it in the budget cycle is to increase the salary by two and half (2.5) times. That is another way to say the same thing.

Councilmember Kagawa: In response, if everybody...top-of-the-line... efficient following the topnotch strategic plan—what is next? Next year, are we going to ask for two (2) Assistant Fire Chiefs, then three (3), and then four (4)? At some point, we have to draw the line and say, “Well, we have everybody struggling, so you have to struggle as well and do what you can.” This is a good year to see that because we are broke.

Committee Chair Kaneshiro: Any further discussion on this?

Councilmember Kualii: I would just add that this is our opportunity; this is where we act as the Council during the budget. The only other chance on expenditures like this is approve or deny requests that come to us. As far as the whole budget, seeing actual positions, (inaudible) out and exposing for our ability to see it, reallocations, dollar-funded vacancies, and things that happen, and maybe we have not been seeing so clearly before, this is our only chance. It is not the end because if justification is there in September or October of next year for something to be created of this caliber, they can come before us.

Committee Chair Kaneshiro: Council Chair.

(Councilmember Chock was noted as leaving the room at 2:53 p.m.)

Council Chair Rapozo: We have gone through several departments and we often talk about the number of positions in departments. We went through the Mayor's Office budget. The Mayor has Chief of Staff, Managing Director, two (2) Administrative Aides, an Executive Secretary, two (2) Public Information Officers (PIOs), and a Protocol Officer. Every department has all kinds of staff. HR has eighteen (18) people. Anyway, we

have not visited any of those, granted maybe the warm bodies or what, but we are putting this scrutiny on the Fire Department, which I think is an essential department. We should be applying the same scrutiny on all the departments if we are going to budget. This is an opportunity and I appreciate this scenario where we have an opportunity to review this reallocation, but most of the time it does not happen. In fact, it rarely happens this way. It is usually done between budget years and it comes as a surprise. I hope that as we go through the budget, we start really looking at the manpower of all the departments because I think that is where the bulk of our expenditures are, obviously. I just wanted to make that point. I can count. The Chief will still be able to take that position number and reallocate it, get the funding from somewhere else, and make it happen. At that point, we will see if he can make it work. Thank you.

Committee Chair Kaneshiro: Roll call vote, please.

The motion to reallocate the position from an Assistant Fire Chief to a Fire Fighter Trainee and removing the position back to Operations was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kuali'i, Yukimura, Kaneshiro	TOTAL – 6*,
AGAINST MOTION:	Rapoza	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

(*Pursuant to Rule No. 5(b) of the Rules of the Council of County of Kaua'i, Councilmember Chock was noted as silent (not present) and Councilmember Hooser was noted as silent, but shall be recorded as an affirmative for the motion.)

Committee Chair Kaneshiro: Okay, we will move on.

Ms. Fountain-Tanigawa: Committee Chair, this brings us to the Civil Defense Agency.

Committee Chair Kaneshiro: Any cuts for Civil Defense? If not, next.

Ms. Fountain-Tanigawa: Department of Public Works.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa moved to dollar-fund Position No. E-20, County Engineer, seconded by Councilmember Kuali'i.

Committee Chair Kaneshiro: Any discussion?

(Councilmember Chock was noted as present at 2:54 p.m.)

Councilmember Kagawa: I think as was stated, we have Lyle Tabata as Acting County Engineer and the Administration is fully confident that in the next two and a half (2.5) years, Lyle is the man to get the job done and I think they have stated that they have a lot of support around him. They have people in civil service positions now like EMs, that are capable of supporting him. They have Keith Suga helping him with special

projects CIPs. I have heard, at least from the Administration, that they are having difficulty finding a candidate for the County Engineer position. Again, dollar-funding it means that should they find somebody, which I doubt, they could come to the Council should they need to. At this point, I have full confidence that Mr. Tabata can perform the duties as he has been doing in the past few months since Mr. Dill left and we will go from there. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: We have received a memorandum from the Administration saying that they are going to post and do interviews in June, so that will not be possible if we...well, I mean if there is no salary there, it would be hard to recruit, I think, and that is my concern.

Councilmember Kagawa: To respond, the dollar-funding holds the position open and existing funds within the Department of Public Works, County Engineer budget can be used in the interim period to pay the salary, and I assume that if the County Engineer is qualified for the position and gets hired, then I do not see any problem with this Council, through a money bill, putting in all of the replacement necessary funds that are necessary. I think at this point, it is prudent that we take whatever measures we can to anticipate any savings that we can, while we can.

Councilmember Yukimura: Can we have the Administration up?

Committee Chair Kaneshiro: Councilmember Hooser has a question.

Councilmember Hooser: I have questions for the Administration and Mr. Tabata.

Committee Chair Kaneshiro: Okay. We will suspend the rules.

Councilmember Hooser: I would like to know what impacts the Administration believes this will have on your recruiting and hiring and what the plans are for that.

There being no objections, the rules were suspended.

Ms. Rapozo: We just put out the position this past weekend for the County Engineer position. It does show the salary increasing up to the new level as of July, so it is something new. We are not sure if that is going to attract anybody or if it will not. I do not believe we have had any response as of yet, but that will be out for ten (10) days right now.

Councilmember Hooser: Thank you. The specific question is removing the funding and dollar-funding, what impact will that have on your recruitment?

Ms. Rapozo: As Councilmember Kagawa said, by dollar-funding it, you are still holding the position, so if we are successful in finding a candidate, he is correct that the Administration could still come back with a money bill to add funding for that position. It would be that this Council would have to approve that

money bill. It does not stop us as far as recruiting because if you eliminate the position, then we would have to stop, which I do not believe you can because of the Charter.

Councilmember Hooser: Okay, so it has no negative impact, I do not see any reason why we should not cut the funding. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Do you anticipate that it will be a challenge even at the new funding level?

Ms. Rapozo: It is hard to say at this point if there is anybody looking for something like that, like if someone who is retired, who may want to come back and serve out two (2) years. Right now, the only guarantee we can give them is two (2) years with this Administration, so we have that challenge as well. So we are not sure. Sometimes you get someone, "a diamond in the rough" coming out. When State Highways hired Ray McCormick, he was actually retired and came back. So you never know, it is also timing sometimes.

Councilmember Yukimura: Did you send the solicitation to Ray? When they ask when you are interviewing and a potential candidate is thinking of applying and they ask what the salary is, you can still give them the salary, but based on the Salary Resolution, I would guess?

Ms. Rapozo: Yes, that is actually how the ad went out. It said, "As of July 1st, this is the salary. Right now it is at 'this.'"

Councilmember Yukimura: Okay. Do you have a deadline for response?

Ms. Rapozo: Yes, it already went out and I believe it is May 8th for ten (10) days, so until May 18th.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: So you would have to come back for a money bill. Is that correct?

Ms. Rapozo: That would be correct.

Councilmember Hooser: Okay. I thought there was a time period where money bills could only be introduced after the unappropriated surplus was certified or something like that. Is that not the case? No? Maybe not. Thank you.

Committee Chair Kaneshiro: Any further questions? Council Chair Rapozo.

Council Chair Rapozo: If that scenario happened, you could transfer internally, the money to cover the salary so you could expedite the hiring. Correct?

Ms. Rapozo: We could.

Council Chair Rapozo: Then come to the Council for a money bill to replenish the account that it came from, should you need?

Ms. Rapozo: Correct.

Council Chair Rapozo: It could be done relatively quickly, so it would not hold up the hiring.

Ms. Rapozo: That is correct.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: I will call the meeting back to order. Any discussion on this? Councilmember Hooser.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Hooser: It appears that this would have no impact on their ability to hire. At the same time, it feels a little bit like “funny” accounting because if they intend to hire, they will have to have a money bill, so I do not know if it would be more appropriate to take fifty percent (50%). I am okay either way actually. If they intend to hire, the money legitimately should be budgeted, I think. I will just throw that out there.

Committee Chair Kaneshiro: I guess it comes down to my comment earlier when we were doing the bigger cuts for Police—do we cut it and then let them come back for a money bill or do we leave it in, maybe have it lapse a portion if it takes them a while to do it or a money bill? It is all up to the Councilmembers and what they are comfortable with. For me, I am fine with dollar-funding it and I will be voting to put it to dollar-funding and have them come back. We have to be cognizant that during the year, these positions that we cut and wherever this money ends up, in the Unassigned Fund Balance or whatever, it may come back to us and we need to be aware that we cut it with the intention of if they do hire, this money is going to come back. So when we look at our final balance, we need to know that maybe not all of that is money to go to a certain project. Janine, do you have something to add? I will suspend the rules.

There being no objections, the rules were suspended.

Ms. Rapozo: I am sorry, can I add one more thing? When I answered Chair Rapozo regarding there would be no impact, the assumption is you are going to approve the money bill in the future.

Council Chair Rapozo: Yes, that would be the assumption.

Ms. Rapozo: If not, it would be a risk on us.

Council Chair Rapozo: Right.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: But we could not approve the money bill and you could take it out of internal funds. Is that correct?

Ms. Rapozo: The assumption is that all of the funds are budgeted for specific purposes, so we would not have any place to go to.

Councilmember Hooser: Right. Did you have a surplus this last budget?

Council Chair Rapozo: Everybody has a surplus.

Councilmember Hooser: Yes, so the assumption also is that you have a surplus and that you might be able to fund it internally if the Council decided not to fund the money bill.

(Council Chair Rapozo was noted as leaving the meeting at 2:57 p.m.)

Committee Chair Kaneshiro: They have one (1) more month to recognize their surplus or deficit.

Ms. Rapozo: It would be dependent on when in the year that is. If it is early on, we really would not know.

Committee Chair Kaneshiro: Okay. I will bring the meeting back to order.
Discussion? Councilmember Chock.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Chock: Ultimately, it is not a good budget practice if we are moving down this road. I think that is what I am hearing you say, Chair. I would agree. I think the flipside of that is that we are trying to get what the surplus will be and we have seen it before, so that needs to be diminished as much as possible so that it is this much more accurate at the budget. This is something we know that we are going to spend our money on, so that is kind of what is concerning me if we continue to move down that road, then at the end of the year we see that we need to come back to these bills. It is just something that I want us to be thinking about, in terms of how we operate.

Committee Chair Kaneshiro: Yes, that is where we have to think what our policy is and we have to be consistent. We cannot say that we are going to cut all of these things and come back with a money bill, and then when they come back with a money bill, we cut it, and then they would have put up a much greater argument for the position and probably would have said that it would affect us and we would rather have the money in it and let it lapse. I think for the last budget, we went with the strategy of letting the money lapse and we have seen lapses come through. I think this year we are trying to feel out what is the budget strategy and you see us doing these smaller five percent (5%) cuts and seeing if that will work. When we do something like this, we need to recognize that they may end up coming back with a money bill and if it is early on in the year and their budget is fresh, they are not going to know if they are going to lapse in and they are going to come back and have to take it from the Unassigned Fund Balance. So just keep that in mind as we go on. Councilmember Yukimura.

Councilmember Yukimura: I had a proposal to cut four (4) months out of it, thinking that you would need about that time to actually recruit. On the other hand, I do remember when I was the mayor and I believe the County Engineer position was open for almost one (1) year and at that time, the Mayor's salary was \$60,000, so you can imagine what the County Engineer's position was and we had trouble filling both the County Engineer and the Water Engineer positions. It can stay open for a long time, but I for one am committed to pass an appropriation bill as quickly as possible if you get a candidate that you select.

(Council Chair Rapozo was noted as present at 3:00 p.m.)

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: My apologies because I had to step out. I am assuming that the decision was made that you are going to hire and I am not going to pose the other questions because I do not want to open up the suspension of the rules, but I am assuming that is what happened. At the last discussion we had here, we were told by the Mayor that he was not going to fill it and allow Lyle to serve out the term. So there is a decision that they are going to go out and hire and if that is the case, then I think it looks good to cut all of these numbers, but whether it is four (4) months or six (6) months...I am not sure how long it will take to fill this position, but I know it will take some time...but I would be more inclined to support a reduction of the salary for a period of time that you believe it would take to hire this position, rather than just dollar-fund it because then it is like putting the money in a piggyback, knowing next month that you are going to take it out. I am not sure how much time it will take to get an engineer. I do not know if there is anybody out there willing to come here for two and half (2.5) years under a Mayor that is going to term out to be the engineer. Nine (9) months? It is going to take nine (9) months to fill? Three (3) months to fill? Okay. We will go ahead with the vote and if it passes, it passes. If not, I will propose a nine (9) month funding.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I am not sure if the Chair was in the meeting when I earlier expressed similar concerns in terms of the budget policy, that if we are going to be spending money anyway, perhaps we should fund the nine (9) months, so that would be the direction I think would be more prudent.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I have an eight (8) month funding proposal ready to go. I am just saying that it is already ready to go.

Committee Chair Kaneshiro: Any further discussion? We did this last year, that rather than cutting the position, we funded something nine (9) months or eight (8) months. We have to realize that if we cut the whole thing, it might come back and we have to be willing to bite the bullet at that time. If we want to leave it in, we understand they have flexibility to do stuff with the budget, but it is all what we are comfortable with. Councilmember Kagawa.

Councilmember Kagawa withdrew the motion to dollar-fund Position No. E-20, County Engineer, Councilmember Kualii withdrew the second.

Councilmember Yukimura moved to reduce funding for the County Engineer and related benefits to eight (8) months funding (reduce by four (4) months), seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Okay. I do not know how much discussion we need on this, but...

Council Chair Rapozo: Call for the question.

Committee Chair Kaneshiro: Obviously, you can see that because of the Sunshine Law, we have no clue what anybody is doing and that is why it ends up like this. I do not know if they are going to partially fund, we cut it, and somebody wants to add it; we have no clue.

Council Chair Rapozo: Either that or we rehearsed this quite well.

Committee Chair Kaneshiro: Yes.

Councilmember Yukimura: We do not have the time.

Committee Chair Kaneshiro: Roll call vote.

The motion to reduce funding for the County Engineer and related benefits to eight (8) months funding (Reduce by four (4) months) was then put, carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kuali'i, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: We are still on the Department of Public Works.
Councilmember Kagawa.

Councilmember Kagawa: Brace yourselves. This amendment is not so much an impact on dollars. My motion is to...oh, it is a combination...sorry.

Committee Chair Kaneshiro: We will get back to it. I was thinking about the methodology that we are going through and I think it will be that we take all of our cuts, we take the combinations, because in actuality, those should balance out, and then we take the adds. There is no sense in taking the adds before the combinations. The combinations are going to balance itself out, so it should have no difference on the impact on the budget. That is the way we are going to go when we get there. We still have a long ways to get there though. Any further cuts for the Department of Public Works? If not, we will move on to the Department of Parks and Recreation.

Council Chair Rapozo: Nobody has cuts for Solid Waste? Are we going to do it differently?

Committee Chair Kaneshiro: Yes, Solid Waste is separate.

Council Chair Rapozo: Okay.

Committee Chair Kaneshiro: Department of Parks and Recreation. I did not see who left. I just wanted to be sure that if we have combinations that somebody is here to answer. Councilmember Yukimura, do you have a cut?

Councilmember Yukimura: It is just a removal of positions, not a cut.

Committee Chair Kaneshiro: It is a cut or an add. Do you have something for Parks and Recreation? We will get back to it if you want to find what you have. Anyone else with a cut for Parks and Recreation? We still have fifteen (15) more minutes before our break. Anything for the Agency on Elderly Affairs? Housing Agency? Transportation Agency? Public Works, Roads Division, including the baseyards? Stop me if I am moving too fast. Auto Maintenance? Councilmember Yukimura, are you ready?

Councilmember Yukimura: Mine is a combination.

Committee Chair Kaneshiro: Okay. Auto Maintenance? Department of Liquor Control? Solid Waste? Councilmember Chock.

Councilmember Chock moved to remove funding in the amount of \$200,000 from Consultant Services for the Waste Diversion RFP Legal Consultant, seconded by Councilmember Hooser.

Committee Chair Kaneshiro: You can explain your proposal.

Councilmember Chock: This was just in discussion about the RFP and we know that it is phased out and I know this was already actually increased, but it sounds like we still have much more work to do in the RFP, so that is why I am considering the whole amount.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: Just real briefly, that was also on my list, but he beat me to the motion.

Committee Chair Kaneshiro: From the meeting, it is probably on everybody's list, if I can imagine. That one was on my list also. Any discussion on it? This is just the \$200,000 that was moved from the County Attorney's Office to Solid Waste. Councilmember Yukimura.

Councilmember Yukimura: I have a more inclusive one that includes others. It is all Consultant Services to the tune of \$550,000.

Council Chair Rapozo: I just want to get clarity on this one that you are proposing. The \$200,000, you are proposing that it be cut, and then you are going to be putting it in later in a different place. Is that what I heard? It is just removal? Okay.

Councilmember Chock: I do not know what the pleasure of the body is, but I can withdraw if there is one that is more inclusive.

Committee Chair Kaneshiro: Councilmember Yukimura, are you saying that you want to cut the entire line item?

Councilmember Yukimura: Yes. If we all have it, then it is all inclusive.

Committee Chair Kaneshiro: Do you want to withdraw?

Councilmember Chock withdrew the motion remove funding in the amount of \$200,000 from Consultant Services for the Waste Diversion RFP Legal Consultant, Councilmember Hooser withdrew the second.

Councilmember Yukimura moved to remove funding for all Waste Diversion RFP efforts, seconded by Councilmember Chock.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I have a question for the Administration.

Committee Chair Kaneshiro: Okay. We will suspend the rules.

Councilmember Kagawa: We just did a RFP and we are at the stage of what? Is this RFP closing soon or did it close? What date did it close on?

There being no objections, the rules were suspended.

KEITH SUGA, CIP Manager: It closed this past Wednesday.

Councilmember Kagawa: Okay. How does this cut affect our further analysis or proceedings regarding looking into other opportunities that may be presented to keep trash out of the landfill?

Mr. Suga: Currently, we have sufficient funding within the Solid Waste budget to move the RFP process through the Stage I phase of it. The funding that is being discussed currently is for the Stage II process.

Councilmember Kagawa: So would it be reasonable to say that if this cut is made that the Department of Public Works can submit a money bill if needed to perform the Stage II when the time comes?

LYLE TABATA, Acting County Engineer: We can. However, it would slow the process by the amount of time it would take us to prepare and submit and go through the money bill process.

Councilmember Kagawa: The money bill process is about two (2) months.

Mr. Tabata: It will hold the project up for that long, at the minimum, maybe more depending on the timing of submittals and the ability to go through the entire process.

Councilmember Kagawa: If this County is going to seriously look at if there are any waste diversion opportunities, other than the MRF, which is being talked about by some members, should we leave a certain amount in or leave it all in, or take out some?

Mr. Tabata: Definitely, we should leave in the amount that is designated for consultant assistance to help develop the initial phases of the Stage II RFP. We feel like we are under a timeclock because of the Council's Resolution for us to seek alternative technologies, so we are following through on that directive, so any removal of funds is going to slow us down. Once you gain momentum and get to a certain point, you need to just follow through and keep the ball rolling. If not, it is going to delay the whole process.

Councilmember Kagawa: I hope it was not just the Council's Resolution that is pushing you folks to look at alternatives.

Mr. Tabata: No...

Councilmember Kagawa: We have a landfill that is filling up and I think we all are concerned and want different options.

Mr. Tabata: You are right. It is considering all of the "different stresses" that we are under is a better way to put it.

Councilmember Kagawa: Okay, so what moneys of the \$550,000 could be taken out and they are by line item, so it is \$300,000 for the consultant, \$50,000 for the financial consultant, and \$200,000 for the legal consultant. Which ones could the Council reasonably take out, and then you still will have the two (2) months to come if needed? Who knows whether we will need the whole thing? I think it is very prudent of Councilmembers to look at taking out something that perhaps is a question mark at this point. Is there any amount of that \$550,000 that is being proposed in Councilmember Yukimura's cut that could be reasonably removed? Kind of like a give and take? Is there anything that you folks can give us out of that?

Mr. Tabata: I believe the original \$200,000 that was originally proposed would be able to be cut. For the \$350,000, I believe we should keep to help us go through evaluation and preparation of the document.

Mr. Barreira: Ernie Barreira, Budget and Purchasing Chief. Just one thing to clarify—in addition to the financial discussion that is going on here, the RFP is a complete package. It is broken up into two (2) stages. Stage I has concluded with the submission of the offers, but when we go into Stage II, the elements of the RFP are still alive and well, which means that there can be no substantial public disclosure, in terms of discussion about the project until we facilitate, if we get to that point, a receipt of all proposals and an award at the end of the process. I know there was a great deal of frustration the last time we were here because of the limitations and the dialogue that can occur. Those limitations from a procurement perspective could still occur.

Committee Chair Kaneshiro: Questions? Council Chair Rapozo.

Council Chair Rapozo: I was a little confused with Lyle's answer because he started off saying that \$200,000 was enough, and then he added the \$350,000. What do we need to get to Phase II?

Mr. Suga: I think what Lyle is trying to say is that the \$350,000 will allow us to start the documentation for the Stage II RFP, work on the criteria, as to which it is going to be evaluated by. The \$200,000 was more for the legal assistance to help review the documentation.

Council Chair Rapozo: Okay, so in other words, you need the \$550,000?

Ms. Nakamura: Nadine Nakamura, Managing Director. I just want to clarify that part of the Stage II document typically includes a contract and agreement that bidders respond to. This is actually how your agreement with the County would be. I think I just want to clarify that it would be very helpful to have that document, the assistance of the attorney to assist us from the very beginning. If we go down this path, and it would be a lot, I think; we would not lose time and momentum by coming back and not being able to, as Procurement Officer Ernie Barreira mentioned, at that point we will not be able to have conversations because we are going to be working on this document. It is important that we have the funding, so we do not have the downtime so we can move on to it. We will need the Attorneys' assistance with those bid documents.

Mr. Tabata: Just to clarify, and I was corrected, that when we go and procure the services for financial consultant and legal, we need all the money there. We need to encumber the contract with all the money there. We cannot do it with only part of the money. I stand corrected and Mr. Barreira reaffirmed that we need all the money there to encumber the consultant services of all three (3) of the different levels that we are looking for.

Council Chair Rapozo: Thank you.

Mr. Tabata: I apologize for misstating earlier, but we need all of it.

Ms. Nakamura: As the Mayor noted earlier this morning, the consultant line item was reduced by \$250,000 in the supplemental budget, based on concerns raised by the Council at our last meeting.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Did I hear that you went out to bid without criteria for judging what is coming in?

Mr. Suga: For the Stage I document, we do have criteria for the Stage I RFP document.

Councilmember Yukimura: For Stage I?

Mr. Suga: Yes.

Councilmember Yukimura: Which is the stage you are going through now.

Mr. Suga: Correct, which was received this past Wednesday.

Councilmember Yukimura: Okay, I am glad because it would be kind of outrageous if you did not. So you are talking about criteria for what?

Mr. Suga: The Stage II document.

Councilmember Yukimura: Okay. What is it that you expect to get out of this whole process? What can we expect at the end?

Council Chair Rapozo: Committee Chair, I just wanted to say that we went through this when they were here the last time.

Councilmember Yukimura: Well, we are considering whether we are going to...

Council Chair Rapozo: Well, we know because we went through the whole shebang. I think right now, it is a matter of do we want them to proceed or not. I do not want to have to listen to this all over again. In fact, Councilmember Yukimura asked a ton of questions the last time. I would rather just move to the vote if you want to support the mandate...not a mandate, but the Resolution that we encouraged. So do we fund it or we do not? To go through the whole thing about the different types of technologies, I do not think that is for today.

Committee Chair Kaneshiro: I think the last time we had problems discussing it because it is in procurement, so we can only get limited answers and we got a lot of answers the last time. Councilmember, do you have a specific question for them, regarding this number?

Councilmember Yukimura: (Inaudible).

Mr. Tabata: I can answer that. We are looking for a solid waste system.

Councilmember Yukimura: So you are intending to abandon the Integrated Solid Waste Management Plan?

Mr. Tabata: No.

Councilmember Yukimura: Well, that put forth a system and we have been working on that system.

Committee Chair Kaneshiro: Councilmember Yukimura, I think we went through this in a circular...

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: Councilmember Hooser has a question.

Councilmember Hooser: Actually, it is more for the body. My preference would be to approve this item and they would come back with a money bill later, and then there could be more questions at that point. If that is not the will of this body, then I think there are more questions that can be asked now. But I would prefer that we approve the motion, let them come back when they are ready, and no telling how long it is going to be. These things can take sixty (60) days or thereabouts. Then we can move forward with the discussion at that point.

Committee Chair Kaneshiro: I have to make one comment. I think Councilmember Yukimura's proposal has it as eliminating that entire line item and if that is the intention, then we can vote on it or if you want to withdraw it, I know Councilmember Chock had one that was dollar-funding the line item, so it would give them the ability to not get rid of that entire line item. I am not sure what the intention is. Is it to dollar-fund it or get rid of it? Councilmember Yukimura.

Councilmember Yukimura: I thought dollar-funding was really for positions. It is also for programs?

Council Chair Rapozo: Yes. If you take all of the money out, the line disappears, so there is no line to transfer the money into, should we come up with a money bill. So you have to leave a dollar or else it disappears. If you folks are going to cut it, choose Councilmember Chock's one because his has a one dollar (\$1) left.

Councilmember Yukimura: I do not mind putting in one dollar (\$1). So it is \$449,000.

Committee Chair Kaneshiro: Maybe you should withdraw and have the other one come up with the dollar-funding in it, then we can do it that way to have to cleaner.

Councilmember Yukimura: I would still like to have the full amount discussed.

Committee Chair Kaneshiro: \$550,000?

Councilmember Yukimura: Yes.

Council Chair Rapozo: \$549,999.

Councilmember Yukimura: Right.

Committee Chair Kaneshiro: Right, that is how it is on this right here. Councilmember Yukimura, you can withdraw your motion.

Councilmember Hooser: I have a question before we do that.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: If it is dollar-funded, the Administration could shift the funds internally without coming back to the Council with a money bill?

Council Chair Rapozo: Yes.

Councilmember Hooser: Okay, so if we take Councilmember Yukimura's option and they come back with a money bill, they can come back for a line item at the same time.

Council Chair Rapozo: Correct.

Councilmember Hooser: Okay, so I support Councilmember Yukimura's proposal. I think it is an important decision that the Council should stay engaged in and not just turn it over and forego our responsibilities. I support the motion that is on the table.

Committee Chair Kaneshiro: If you do not want to withdraw then we can vote on what you have.

Councilmember Yukimura: Yes. I think it would like to have it discussed as I proposed it.

Committee Chair Kaneshiro: Okay. Are we ready to vote on it?

Councilmember Yukimura: I would like to have some discussion on it.

Committee Chair Kaneshiro: Okay, the meeting is called back to order.
Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: So as we are finding out now...

Committee Chair Kaneshiro: Actually, before we get into our discussion, I will take our ten (10) minute caption break so that we do not need to stop.

There being no objections, the meeting recessed at 3:31 p.m.

The meeting reconvened at 3:41 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We will keep moving. We are on discussion. Currently, the proposal is to remove \$550,000 from the Waste Diversion RFP efforts. Councilmember Yukimura.

Councilmember Yukimura: As we are finding out, this solicitation RFP process is a very long and expensive process. It probably will take over one (1) year and cost over \$1,000,000 and there is no guarantee that there is anything of value that will emerge at the end. Numerous municipalities, some just across the channel, have fallen into the same search for a silver bullet, and years down the road they have nothing to show for it. Maui County proposed a Waste-to-Energy (WTE) project in 2012 and the thought was to

wait and see how it turned out. Well, it has been two (2) years with no results and recently the County Auditor of Maui determined that the original cost estimates were far off and rather than save the county money, if implemented, the project would cost Maui County an additional \$800,000 a year. Several years ago, I think it was the district of Puna on Hawai'i island, but it was an area that was very similar in population to Kaua'i, went through the entire RFP process and when the final cost was presented to them, they turned it down because it no way that they could afford it and they spent \$2,000,000 to go through the solicitation process. The issue of feasible alternative technologies were examined both in the Solid Waste Management Plan update, which was a 2009 R.W. Beck study, this is for the County of Kaua'i and the Resource Recovery Park feasibility study in 2013 by AECOM and both consultants concluded that Waste-to-Energy, including newer variations, such as gasification, pyrolysis, and plasma, was not commercially viable or economically feasible. I believe one of the vendors, Pelatron, appears to have gone bankrupt.

Committee Chair Kaneshiro: Councilmember Yukimura, we have had this discussion before about what we can and cannot say regarding the RFP and I just want to be clear that we are not putting ourselves in jeopardy.

Councilmember Yukimura: Chair, I do not know who the respondents are to the solicitation. I am just saying that one of the Waste-to-Energy vendors has a website that is not working at this point.

Committee Chair Kaneshiro: I do not know who is there either, so I do not even know why we are mentioning it. In fact, we should not be mentioning it.

Councilmember Yukimura: Because they were one of the ones that...

Committee Chair Kaneshiro: Councilmember Yukimura, I do not want to get...

Councilmember Yukimura: I am not mentioning it anymore. This is...

Committee Chair Kaneshiro: Mauna Kea, let me know if we are starting to cross the line. Tell us to stop.

Councilmember Yukimura: So what it is showing here is that we are spending a huge amount of money toward an end that we have been told twice already by our own consultants, who we have paid a lot of money to that it is not feasible. We are wasting money, \$800,000, and we cannot afford to waste that money. We could use it to repave roads or fund a MRF that will get us to greater diversion. If we do not fund the MRF...

Committee Chair Kaneshiro: Mauna Kea, do you have something to say?

There being no objections, the rules were suspended.

MAUNA KEA TRASK, County Attorney: Mauna Kea Trask, County Attorney. I apologize, Councilmember Yukimura. I just wanted to make my record real quick. Chair, I have been informed by the Budget and Purchasing Chief that we really should try to stay away from discussing further pending/open or even implication of the current RFP, only to comply with the state law regarding ethical procurement. I understand that you all want to make your points regarding the budget, but given the

current status of it, if we could just address the budget line item versus the content related thereto, it would really benefit the County avoiding further expensive and prolonger bid protests, court challenges, and allegations of unfairness by other bidders or anybody. I just wanted to put that on the record. I understand that we are here to save money, so let us not put ourselves in a position to spend more. That is all.

Councilmember Yukimura: I am addressing the \$550,000, which is required for this RFP process. I am talking in general terms about an RFP process that has been tried on Maui and Hawai'i island and I am also talking about feasibility studies that have examined these Waste-to-Energy processes that have shown that they are not feasible for a community of our size. If that is the result...

Council Chair Rapozo: Chair, if I may, I brought this up at the last discussion because the difference between the outer islands and here is that this one does not specify a technology, so it is unfair and not right to continue to talk about Waste-to-Energy when the RFP is a broad RFP for alternatives. It is apples and oranges. This \$550,000 is to pursue the RFP process, which includes all different technologies and all different systems. I made that clear the last time, but it continuously comes up that it is "Waste-to-Energy." I just want to make sure the public understands that is not the case. This is a RFP for alternative technologies, period. I am afraid that these companies are going to sue us because we are touching what we should not be. We do not even know what is in that RFP.

Committee Chair Kaneshiro: Councilmember Yukimura, I think we are very clear on your position. The County Attorney has warned us many times, so just state your position quickly and we can continue to move on. I do not want to end up getting into a fight on what we can and cannot say because we did that the last time.

Councilmember Yukimura: Thank you. We have deviated from our basic plan, our Integrated Solid Waste Management Plan, and one of the ways that you do not get to where you want to be is by deviating from your plan. This is a major deviation and will cost a lot of money and it will not get us the results we want.

Committee Chair Kaneshiro: Any further discussion? Council Chair Rapozo.

Council Chair Rapozo: On May 6, 2015, this Council adopted the Resolution urging the Administration to consider new technologies to manage the County's solid waste challenges. This was our directive or our instruction to the Administration. "Whereas, we strongly urge the Administration to consider deploying new innovative technologies and proven diversion activities in their effort...the County Council urges the Administration to consider technologies and partners who offer maximum diversion activities as part of the solution to our solid waste challenges." "Maximum diversion" means "divert." We also urged the Administration "to consider technologies that provide for the maximum net output or savings of energy and minimize the destruction of non-renewable materials that can continue to provide value..." The bottom line is that they are responding to a Resolution that four (4) of these Members passed and adopted, and you folks are moving forward. Now, you did your part and now we have to do our part and our part is to fund...we always talk about the unfunded mandates that the State puts on us and this is an opportunity to fund the mandate, if you can call it that, for them to continue to work. They are done with Phase I and to cut it short would be a waste of money. I will not support the removal.

Committee Chair Kaneshiro: Any further discussion? Councilmember Hooser.

Councilmember Hooser: I am supporting the motion for a number of reasons. Number one is that no money is needed at this point in time. The Administration does not need the money and it is not clear when they will need the money and when they do need the money, they are welcome to come back and get a money bill from us or otherwise get those funds. We talked about that option with a number of other budget items today from different departments, so there is no reason to commit \$500,000 today for something that we have no clue as to what we are buying with it. I would prefer letting the money that has already been invested in the process that is already in play, play itself out and the Administration can come back and explain to us, even if it is in Executive Session, in greater detail exactly what the money is being used for and what we are going to get out of it at the end of the day. I just have a very difficult time spending \$500,000 for a "black box" if no one knows what is inside of it and no one knows whether we are going to be able to use it or want to use it at the end of the day. I think it is just very bad policy to be doing this, especially when they do not need it now and we are talking about how we have to cut here and cut there. We cut security guards for parades, climate change plans, EBT funding, and we do not need this \$500,000 to spend it today. Whether it is being spent wisely or not, when the time comes we can have that conversation, but we do not need to spend it today. We have a lot of other needs that have been repeated here over and over again with things like highway and road maintenance and bridge repairs to say the least. I will just encourage everyone to think about it. We do not need to spend it today, so let us spend it when we need to spend it and have that discussion at that point.

Committee Chair Kaneshiro: Any other members? Councilmember Kagawa.

Councilmember Kagawa: We do not also need to keep burying tons and tons per day into the landfill while we just sit here and talk about maybe doing a MRF. (Inaudible) goods in food that we need and pay the highest prices in the nation because of the shipping costs to ship it across the ocean. Imagine shipping rubbish and trying to think that we are going to make a profit. That is ridiculous. Look at those green bins that the Garden Isle Disposal has. It goes in sorted, and knowing Scott Kouchi as a personal friend for years, he tells me how tough it is to even make money. He said they lose money sometimes on that contract because the prices fluctuate for the goods that is already (inaudible). Imagine us (inaudible), I think it was New York City where they showed (inaudible) recycle containers (inaudible), "This is the problem with recycling," and they showed the container (inaudible) and all kind of other stuff (inaudible) and we are going to go down that road. Everything has its problems. There is no simple solution. To keep your eyes open and to try and eliminate the problem of (inaudible) everyday where (inaudible), I have issues with that. I have issues of thinking of opening up Ma'alo and the cost that is going to take. We are keeping our eyes open. I am open to the MRF. Maybe it might be the answer. I do not sit here and say that this or that does not work and just be satisfied with burying rubbish. I am not an expert in everything, nor is Zero Waste Kaua'i. If it was so easy to MRF and be profitable, where is Zero Waste Maui, Zero Waste Hawai'i, and Zero Waste O'ahu, with over one million (1,000,000) people? Where is that MRF? But Zero Waste Kaua'i knows that "MRF is the only way" and "it will save us money." Okay, whatever you say.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I have a question for the Administration or the County Attorney.

Committee Chair Kaneshiro: I will suspend the rules.

Councilmember Hooser: Is the MRF a technology that is being considered by the RFP?

Committee Chair Kaneshiro: Again, I think we cannot answer that.

Councilmember Hooser: No, but you allowed the discussion to continue here and that is why I am asking.

Mr. Trask: Just real briefly, the Chair is right. It is open to all technologies and systems.

Councilmember Hooser: That is my point. One (1) Councilmember was being criticized by talking about a technology and another Councilmember does it and nothing is said. That is the point I am trying to make.

Committee Chair Kaneshiro: I am trying to look at these folks and say how we can go. For me, I have no clue what technology it is and I have no clue what RFP, so I do not know what word anybody uses is jeopardizing it, so it is hard for me to control it. Let us vote on it and move. Councilmember Kualii'i.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kualii'i: The solid waste problem is millions and millions and millions of dollars already spent in the past and to be spent in the future. These Request For Proposals is to help us move forward and figure out what our options are as far as solutions. We are at that point now and I think I heard clearly from procurement people and finance people that (inaudible) procurement is dependent upon this funding. So in order for us to continue moving forward, this funding has to be in place. That is why they have it in the budget to begin with. It is not about adding it to the budget; it is there. In the summary presentation, they talked but they reduced the Solid Waste RFP consultant contract by \$250,000, and maybe had he not removed that \$250,000 based on what we talked about in budget process, then that would have been my proposal to remove the \$250,000, but he has already done that. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I am going to be supporting the cut. I just think it is prudent to be more cautious and I would like to be included in the process, as much as possible. I know that there are limitations to it, but we have to be able to make some good decisions as well. As you can see as we are going around the table, there are a lot of different interests in it. It is not so much that I do not trust that the process is moving along as it should, but it is just that as much as possible I want to be kept in the loop, whatever way that can be done, which I am not clear what that is and I need to be told what that is. Until that happens, I would err on the side of reserving this to take that next

step. I am not being told any other way that it is impossible, so until I am told that, I am going to support it.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The County spent \$300,000 to pay for the Integrated Solid Waste Management Plan, precisely because we did not want to just keep pouring trash into the landfill. The whole goal was to divert. Larry Dill was on the citizens advisory committee and they came up with the process of reduce, reuse, recycle and the MRF is a big part of that because you cannot do curbside recycling and you cannot do business diversion without a MRF. A MRF is not a place where you send off garbage. It is a place where garbage becomes commodity. You sort things and so you have the paper, the cans, the steel, and whatever. It becomes commodity that you can actually sell and send off. Yes, it does take shipping and the biggest MRF in the country in Colorado ships to the west coast, and then to China. We buried and burned \$2,000,000,000 worth of paper back in 2007 that China would have bought for \$2,000,000,000 because they need all the paper they can get. The reason why there are not MRFs on the other islands yet, at least not municipal MRFs, is because everybody has been going after this silver bullet, trying to think that there is another way to do this.

Council Chair Rapozo: I have to interrupt. What is the proposal? Is it a MRF?

Councilmember Yukimura: Excuse me, may I finish?

Council Chair Rapozo: I guess I am calling a point of order because she is not on the subject that we are talking about. We are talking about...

Councilmember Yukimura: Excuse me, Councilmember Kagawa...

Council Chair Rapozo: I have raised a point. I am asking the Chair to rule if the agenda of what we are on is a RFP for...

Councilmember Yukimura: You cannot allow Councilmember Kagawa to talk about MRFs and not allow me to.

Committee Chair Kaneshiro: You talked about all kinds of...

Councilmember Yukimura: So? What is wrong with talking about a MRF?

Committee Chair Kaneshiro: Mauna Kea...

Councilmember Yukimura: Excuse me, but I am entitled to finish my discourse.

Mr. Trask: I thought that this might be helpful. If you find it not helpful, by all means, disregard it.

Councilmember Yukimura: Your interruption is not helpful.

Mr. Trask: I apologize.

Committee Chair Kaneshiro: Councilmember Yukimura...

Councilmember Yukimura: If it is a legal point that you feel I am violating then please interrupt.

Committee Chair Kaneshiro: Councilmember Yukimura. Mauna Kea, you have the floor.

Mr. Trask: All I wanted to say is that the Chair is correct that you can really have it all on this. So assume that Waste-to-Energy will be submitted; assume that the MRF will be submitted—I hope so—because then we will be looking at all of these systems of technology.

Councilmember Yukimura: So what is wrong with me talking about it?

Committee Chair Kaneshiro: Councilmember Yukimura, let him finish, please.

Mr. Trask: Like the Chair said, this is becoming a discussion about who likes which technology better. This RFP, just to be clear, includes all of it. If you think that you are spending this money or appropriating this money to look at the viability of that to get a very sophisticated legal consultant that would provide the County Attorney's Office and our contractor with the necessary input to correctly evaluate any technology that you find acceptable, then you can emotionally feel well about this.

Councilmember Yukimura: Excuse me, this is not a legal opinion.

Mr. Trask: Under Hawai'i Rules of Professional Conduct Rule 2.1, I am not truncated only to providing legal, but also policy and any facts that I think may be helpful to the client. I am just trying to simply help you. That is all.

Committee Chair Kaneshiro: Councilmember Yukimura, I will let you finish, but please...we are going back and forth on an argument of is a MRF good or bad, and I have no clue what is in this RFP. It is basically do we want to support the money going forward or not? That is the point.

Councilmember Yukimura: Excuse me.

Committee Chair Kaneshiro: You are trying to convince everybody whether we should vote for it or not, but come on, let us move forward.

Councilmember Yukimura: In a discourse, we are able to respond to each other's comments, so it is totally inappropriate to interrupt me.

Committee Chair Kaneshiro: I think my point is that you folks fighting about a MRF all day long is not going to get us any further on whether we want this \$550,000 in or out and that is what the vote is on.

Councilmember Yukimura: Then why did you not say that to Councilmember Kagawa when he brought up the MRF?

Committee Chair Kaneshiro: Councilmember Yukimura, you spoke three (3) times about a MRF. The last time we were here when Solid Waste was here, you went on and on about it. I am just saying let us get to it.

Councilmember Yukimura: It does not matter how much I mention it, as long I am within the timeframe.

Committee Chair Kaneshiro: I am giving you the time to continue, but please do not...

Councilmember Yukimura: But you are interrupting me.

Council Chair Rapozo moved to call for the question, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Can I have a roll call vote on the question?

Ms. Fountain-Tanigawa: Councilmember Chock.

Councilmember Chock: Aye.

Councilmember Yukimura: What is the question? Is it the point of order?

Council Chair Rapozo: I called for the question.

Councilmember Yukimura: You cannot do that in the middle of a person speaking...

Council Chair Rapozo: You can call for the question at any time...

Councilmember Hooser: Chair, can you call a recess?

Council Chair Rapozo: I called for the question and it requires five (5) votes. If it gets five (5) votes, you call for the vote and we are done.

Committee Chair Kaneshiro: The call for the question is on...

Councilmember Yukimura: I would like to ask for a point of order.

Committee Chair Kaneshiro: Recess.

There being no objections, the meeting recessed at 4:05 p.m.

The meeting reconvened at 4:10 p.m., and proceeded as follows:

Committee Chair Kaneshiro: A call for the question was made and we are going to take a vote on it. If we have five (5) votes, we are going to go directly into the vote on this motion.

Councilmember Yukimura: I have a question.

Committee Chair Kaneshiro: A call for the question was made. We are going to take a vote on the call for the question. If there are five (5) votes for it, then we are going to move on to take the vote on this item right now.

Councilmember Hooser: So the vote is whether or not to support the call for the question, not the question itself?

Committee Chair Kaneshiro: Correct. We are not voting on it. This is to cut discussion and go directly to the vote. That is what these five (5) votes will be for.

Councilmember Yukimura: So the question is whether we close debate?

Committee Chair Kaneshiro: Correct. Councilmember Kualii.

Councilmember Kualii: Chair, just procedurally, I do not know what the motion would be, but I would like us to follow parliamentary procedures and I would like us to be respectful of the process. The motion was made. We were taking the vote. After Councilmember Chock voted, we got eruptions over here and we stopped in the middle of a vote. That is wrong.

Committee Chair Kaneshiro: Okay. The point is made. It is late. We are tired. We have twenty (20) more minutes.

Councilmember Kualii: Let us learn from it.

Committee Chair Kaneshiro: I want to just get through this and move forward. Roll call vote.

The motion to call for the question was then put, and carried by the following vote:

FOR MOTION:	Chock, Kagawa, Kualii, Rapozo, Kaneshiro	TOTAL – 5,
AGAINST MOTION:	Hooser, Yukimura	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: So now discussion is cut and we are going to take the vote on the item at-hand, which is to remove funding for all Waste Diversion RFP efforts, \$550,000. Roll call vote, please.

The motion to remove funding for all Waste Diversion RFP Efforts was then put, and failed by the following vote:

FOR MOTION:	Chock, Hooser, Yukimura	TOTAL – 3,
AGAINST MOTION:	Kagawa, Kualii, Rapozo, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Any further cuts for Solid Waste?
Councilmember Hooser.

Councilmember Hooser moved to remove funding in the amount of \$200,000 from Consultant Services for the Waste Diversion RFP Legal Consultant, seconded by Councilmember Chock.

Committee Chair Kaneshiro: Any discussion on it?

Councilmember Hooser: I just have brief discussion since we talked about this a lot. I think any compromise is always good and this is some middle ground that I would like to propose.

Committee Chair Kaneshiro: Any further discussion? Council Chair Rapozo.

Council Chair Rapozo: The \$200,000 that Councilmember Hooser is proposing to be removed is the line item specifically for the legal component of this. I guess my question is, do we have the in-house resources that can tie us over should the time come, that we need to go out and contract...I see Mauna Kea coming up, but do we have the resources in-house? I am assuming the procurement for a legal assistant or special counsel would be a lot quicker than a procurement for a normal service, correct? Would this go through Special Counsel or as Consultant Services with Solid Waste?

Committee Chair Kaneshiro: I will suspend the rules. Mauna Kea.

There being no objections, the rules were suspended.

Mr. Trask: Mauna Kea Trask, County Attorney. Under the Charter, the County Attorney is the chief legal advisor of all departments. So when we go to special counsel, as you know, you are essentially getting an attorney and they do the work and we are out of it. For example, for the Syngenta case, we have McCorriston. We have various clients and when we have special counsel to represent them, we do not touch that; that is their case. In this, my understanding is that the legal consultant will be working with the other consultants and advising our office on what the issues are, what the path should be. We could then bring our expertise, which includes land use and lay of the land type of stuff that we know, and we would not be supplanting our authority as chief legal advisor; we would be fed information and they would be working with the other consultants and it would be a group effort. I am hopeful and very optimistic that we have the in-house capacity to do that alone. I cannot say that we have the legal capacity to do what this contemplates because, like was said on the floor, this is such a technical area. I do not know anybody in my office that can do this or I do not even know even if there is somebody in the State or who these guys would be, even on our current special counsel list either.

Committee Chair Kaneshiro: Any further questions for the Administration? If not, I will call the meeting back to order for discussion. Any discussion? Councilmember Chock.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Chock: I will just mention that my interest is in being involved in this as much as possible. The last discussion that we had, and I am not going to bring it up in detail, was that there was going to be more information that was going to be

shared. In fact, there were papers that were given to us, and then taken away from us. This is where I am feeling uncomfortable and this is why I am where I am. I need somebody to sit down with me and go through this as much as possible because this is why I am voting the way I am. So moving forward, that is what I need. Thank you.

Committee Chair Kaneshiro: Lyle, I am going to suspend the rules.

There being no objections, the rules were suspended.

Mr. Tabata: Councilmembers, I just wanted to draw your attention to our response sent to you, dated May 3rd. It was our response to Councilmember Kagawa's communication to us regarding this subject. So that was made available to you and I believe was passed by the County Attorney's Office and the Administration as to how we could respond to the questions that were asked, and that is the extent to which we could answer at this time. If that was not good enough, then I am sorry, because of where we are in the procurement stages, that is all we can say. I do want to say also that come July 1st, we are going to need this money. As soon as this is approved, come July 1st, we are pressing the button. That is why any reduction in the funds is really not acceptable. I appeal to you that we need to keep this whole. Time is of the essence. When we make the call, we are going to go. Thank you.

Committee Chair Kaneshiro: Any further questions? Councilmember Yukimura.

Councilmember Yukimura: Was that May 3rd memorandum confidential or is that public record?

Mr. Tabata: I believe it is public record.

Councilmember Yukimura: Okay.

Mr. Tabata: We did not put on a confidential cover.

Councilmember Yukimura: Yes, I recall that it hardly said anything. Thank you.

Committee Chair Kaneshiro: Any further questions? I will bring the discussion back. Any further discussion on this? Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: I hate that we have to kind of argue about it because I think none of us here at the table are experts and know what is best, because if there was a simple answer, as was mentioned, I think we would see other counties in Hawai'i doing it already. It is great that we strive not to make the same mistakes. I hope we have the sense and the knowledge of our workers not to make the same mistakes and I trust in them that we are all looking for the best solution, all of us from this table to that table, to across the street. That is where I am. It could be that the opposing sides that are talking about may be the correct one. Like we said, we hope that all possibilities come in, and I do not know what results are, but I thank the Administration for opening the door;

they have already learned from the past mistakes, I believe, by just doing that. Certainly, there is a long road ahead and I am certain that for a decision such as this, we will not be jumping into some unknown areas without properly vetting it. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: As I was mentioning, the other counties have not built a MRF because they have been busy chasing what they thought would be other solutions and they have come up empty. That is why we were the first county to go with "Pay As You Throw." We have an Integrated Solid Waste Management Plan that actually lays out the solution, but we have not been following it. It would have a seventy-five percent (75%) diversion rate. I have talked often about if we could accelerate it, we could extend the life of our landfill and we could build a much smaller new landfill because you will always need a landfill, whether you have Waste-to-Energy or a MRF. You could downsize it tremendously and that would be huge savings. So to not follow this plan, which we have been following since 2009 and always getting sidetracked by these possibilities that never pan out, we are just delaying the solutions.

Committee Chair Kaneshiro: Any further discussion? For me, I probably would have wanted to say this on the last one, but I will say it on this one that I think in whole, I am willing to move forward with it and let you folks go through the process. We have state law procurement issues. I get afraid that the more we talk about it here that we are going to jeopardize the integrity of the system of our process. For me, I think I am in support of it. At the end, we may not end up with something, but we can say we tried and we went out and looked at everything. Whatever anybody had available and were willing to respond, that is what we looked at. All we can do is try. For me, they did reduce the amount (inaudible) and I am comfortable with the amount that is here for them to move forward. I am really afraid that the more we bring it up, the more we are actually going to jeopardize what is going on. The notes that were given to us and taken back were actually talking points that they had and scribble notes that possibly Mauna Kea had on. For me, that would be the same as somebody asking me for my notes here and wanting it, but it is like I really did not prepare it for you folks to see, so I would really want it to be a "can I have it back" kind of thing. If we want specific notes...I think Lyle had talking points...but we can ask them for it again and they can vet it out and be sure that it is something that they can give us, but I know that it was uncomfortable because it was personal notes that somebody was writing what they were going to say on and I would be uncomfortable, too, because I take a lot of notes and sometimes it makes sense and sometimes it does not. Sometimes it might make sense to me and whoever might read it might not make sense to them, so I can understand that. I am willing to keep it in. Councilmember Chock.

Councilmember Chock: Yes, I totally agree. I do not expect personal notes here, especially notes from Mauna Kea. I think there was a comment that there was going to be something sent back to us, but the issue that I have is that it has not been clear. Some things were said and some things were not. I want to know what the criteria are. It was clear as mud and I need more guidance on that. Once I am clear, then I can be clearer to support \$500,000. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: You say that we are trying everything—one thing that is not included in the RFP is an in-house activity; that is the County...we are

asking private vendors for proposals, which means we want them to do it cheaper when they have to make profits.

Committee Chair Kaneshiro: I really do not know what we are asking.

Councilmember Yukimura: What I am trying to say is the one option...

Committee Chair Kaneshiro: I am not trying to pick on you, Councilmember Yukimura, but I am looking at cues from the people who are doing the procurement and they are giving me looks like this and "no" and that is where I am getting my cues from.

Councilmember Yukimura: I do not know why they are doing that because I am not saying anything about the specific proposals. I am saying that those proposals are asking for private proposals that...

Committee Chair Kaneshiro: Again, I do not know what that proposal is asking.

Councilmember Yukimura: Well, maybe you can just listen to what I am trying to say. The other thing is that there is an in-house way of doing things, and that is our Integrated Solid Waste Management Plan. It is about the County doing it. We are not giving that option a try because we are delaying that process and holding it back. We are not following our plan because we have to spend money on another possibility.

Committee Chair Kaneshiro: Okay. Any final discussion? Councilmember Hooser.

Councilmember Hooser: I think the nature of this discussion is the basis for not spending the money. We are talking about this mysterious process that will have a mysterious outcome that none of us knows what it is going to be and none of us really knows the process either. We are not allowed to talk about what we do know, and yet the County is going to spend \$500,000 or more and we are approving that. I just think it is ludicrous for us to sit here to commit money on what we are being asked to (inaudible). The \$200,000 is a small step towards a rational decision. Thank you.

Committee Chair Kaneshiro: I think we are going to get the same answers that we get now and if we have the \$200,000 come up midyear, we are not going to get specific answers, again, because of the state procurement issue. So we will probably end up fighting about this thing again, which we have probably gone through like two (2) or three (3) times already. Councilmember Kualii.

Councilmember Kualii: I just want to say that it is pretty painful to keep going through the same thing. It is like you keep banging your head on the wall. You hit it and it hurts, but you keep doing it again and again. Why? I do not know. I do not think that this is not clear because it is clear to me. This is the RFP process. The State has a procurement law and we are following that law. What more do you need? That the request is for multiple submissions from "A" to "Z?" Everybody's favorite type will be included if you have somebody coming forward and putting a proposal. This cannot move forward without the funding. We have millions and millions of dollars previously invested and will be invested in the future because it is a reality. It is one of the basic purposes of county

government; public safety, pick up the trash and do something with it. We need to move forward. We are talking about \$200,000 now for this particular vote.

Committee Chair Kaneshiro: Any further discussion? Roll call vote.

The motion to remove funding in the amount of \$200,000 from Consultant Services for the Waste Diversion RFP Legal Consultant was then put, and failed by the following vote:

FOR MOTION:	Chock, Hooser, Yukimura	TOTAL – 3,
AGAINST MOTION:	Kagawa, Kualī'i, Rapozo, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: The motion fails.

Committee Chair Kaneshiro: With that, we will recess our budget meeting and be back here tomorrow morning and try to finish Solid Waste if there is anything else and we will continue to move on.

There being no objections, the Fiscal Year 2016-2017 Budget Deliberation and Preliminary Decision-Making was recessed at 4:28 p.m.